



DRAFT

**Oxfordshire County Council
Statement of Accounts
2024/25**



**OXFORDSHIRE
COUNTY COUNCIL**

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Narrative Report by the Executive Director of Resources and Section 151 Officer Introduction

The purpose of this narrative report is to provide information on the Council, its main objectives and strategies and the principal risks it faces. It sets out information to help readers understand the Council's performance and financial position during 2024/25.

Oxfordshire County Council provides services to residents, businesses and communities across the whole county. In 2024/25 our core services included:

- Children's Social Care and Education (including the safeguarding of children, looked after children, services to vulnerable children and young people and their families, adoption and fostering services and some education services).
- Adult Social Care (commissioning and providing services which keep adults safe and provide the support our residents need for independent living).
- Services for public health including mental well-being.
- Highways maintenance and transport planning.
- Strategic spatial planning including major infrastructure, inward investment and housing growth.
- Strategic environmental management including carbon emissions reduction, energy efficiency and waste disposal.
- Community safety including Fire and Rescue and Trading Standards.
- Cultural Services including libraries, museums and the Music Service.
- Coroners' and Registration services.

These services are either provided directly by the Council or are commissioned from and delivered by other organisations. Most of these services are mandatory, meaning that the Council must provide them because it is under a statutory duty to do so.

Our leadership and workforce

The Constitution sets out the rules and procedures by which the council operates. This can be found on our website [Council Constitution | Oxfordshire County Council](#)

The Council has 63 members (or 'councillors') (following the County Council elections on 1 May 2025 this increased to 69), elected by the public to represent a particular local area, or 'Division'. Collectively they are responsible for the democratic structure of the council, overseeing our key policies and services and setting the Council's annual budget for revenue and the capital programme. More information about the democratic structure of the Council and the current Cabinet can be found on our website.

[Oxfordshire councillors | Oxfordshire County Council](#)

[Oxfordshire's Cabinet | Oxfordshire County Council](#)

Following the County Council election in May 2021, a new administration, the Oxfordshire Fair Deal Alliance, was formed from a coalition of the Liberal Democrats, the Labour & Co-operative Group and the Green Party with Cllr Liz Leffman elected Leader. In September 2023 Labour withdrew from the Alliance so throughout 2024/25,

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a Liberal Democrat Green Alliance ran the council as a minority administration. The 2025/26 budget agreed by Council in February 2025 was a combination of the Administration's proposed budget plus amendments from the Labour & Co-operative Group and further amendments agreed on the day. Since year end, the May 2025 County Council elections resulted in the Liberal Democrats taking overall control of the council.

Employees ('officers') support Cabinet and Council in their work and manage the Council's services and operations. The Chief Executive (Martin Reeves) leads the most senior group of officers, the Senior Leadership Board (SLB), who advise councillors on policy and implement councillors' decisions.

At 31 March 2025 the Council's staff complement stood at 4,606 FTE (full-time equivalent) posts (4,509 at 31 March 2024), representing 5,454 employees (5,378 at 31 March 2024). Staff are structured into service areas responsible for a group of services and functions in support of the Council's Vision and Strategic Plan.

The Council also continues to work collaboratively with partners in the public, private and voluntary sector to achieve the best outcomes for our residents. Further details of how the Council works, both internally and with external partners, can be found in the Annual Governance Statement.

Vision for Oxfordshire

The Strategic Plan 2023 – 2025 sets out our vision to lead positive change by working in partnership to make Oxfordshire a greener, fairer and healthier county.

We want to make sure that everyone in Oxfordshire can take advantage of what the county has to offer. Our strategic plan explains our nine cross-cutting priorities and commitments to achieve our vision and sets out our areas of focus.



Our nine priorities are:

1. Put action to address the climate emergency at the heart of our work.
2. Tackle inequalities in Oxfordshire.
3. Prioritise the health and wellbeing of residents.
4. Support carers and the social care system.
5. Invest in an inclusive, integrated and sustainable transport network.
6. Preserve and improve access to nature and green spaces.
7. Create opportunities for children and young people to reach their full potential.
8. Play our part in a vibrant and participatory local democracy.
9. Work with local businesses and partners for environmental, economic and social benefit.

Our performance

Throughout 2024/25 we have reported regularly on performance to internal managers, councillors and the public. The bi-monthly Business Management and Monitoring Reports to Cabinet brought together information on performance, finance and leadership risk, giving a balanced picture of how the Council is doing and providing audiences with greater insight into our business than in previous years.

In these reports we provided the latest assessment of our performance indicators. Most are given a Red, Amber or Green (RAG) rating, signifying whether or not progress is on track. In deciding RAG ratings we consider data on current performance and an assessment of progress. As at 31 March 2025 the indicators were assessed as follows:

Green	Amber	Red	Monitoring / No Data	Total Indicators
50 (62%)	6 (8%)	11 (14%)	13 (16%)	80

Risk Management

During 2024/25 we continued to strengthen our risk management activities. This helped us to ensure that we continued to identify and address any uncertainties relating to the achievement of our priorities.

A strategic risk is a risk to the council's strategic priorities or long-term outcomes; or a risk with a significance that has an impact at the corporate level. Updates on ten strategic risks, including Financial Resilience, Delivering the Future Together (focusing on the delivery of organisation wide transformation) and Managing Demand across Adults' and Children's Services were reported to Cabinet as part of the Business Management and Monitoring Reports.

Service Areas and teams within the Council also maintained operational risk registers to ensure that individual services, projects or areas of business remained on course. Operational risks which become more severe can be escalated to the Leadership level for management.

Our financial operating model

The Council sets a revenue budget, medium-term financial strategy (MTFS) and capital programme in the February preceding the start of the financial year. These are underpinned by:

- Financial Strategy,
- Capital & Investment Strategy,
- Treasury Management & Investment Strategy, and
- A risk assessment of the level of general balances required.

The Council's Financial Strategy sets out that financial sustainability and resilience requires successful and sustained focus on the delivery of four critical elements and financial planning principles. These underpin the revenue budget and medium-term financial strategy:

- Transforming the council to become employer, partner and place shaper of choice.
- Managing the impact of rising need through demand management.
- Delivering agreed savings and planned outcomes from investments.
- Ensuring the level of earmarked reserves and general balances is adequate based on the level of risk and financial uncertainty and only using one-off resources for temporary purposes.

Construction of the budget and budget proposals for 2024/25 were subject to review, overview and challenge by the council's directors and through the Strategic Leadership Team. Councillors reviewed and challenged the proposals through engagement sessions and member presentations and also took account of feedback from stakeholder engagement and consultation. For 2024/25 this included the use of a budget simulator which asked people to show how they would prioritise the use of funding. The Performance & Corporate Services Overview & Scrutiny Committee scrutinised the budget proposals at its meetings in December 2023 and January 2024 before Cabinet proposed the budget, MTFS and capital programme in February 2024.

Revenue Spending Plans for 2024/25

Our budget for the provision of services in 2024/25 and Medium Term Financial Strategy (MTFS) to 2026/27 was agreed by Council on 20 February 2024. New pressures totalling £27.1m, included £15.4m additional funding for Children's Services to help meet the impact of increases in demand and the cost of care. To help manage these pressures the budget also included £13.9m of new savings. New investments of £10.6m were also included in the budget. When the new changes were combined with the changes built into the existing plan agreed in February 2023, the budget provided £16.3m funding for demographic changes for children's and adults' social care and waste tonnages, £37.9m for inflation and £15.5m funding for demand and other pressures. Total savings were £19.5m.

In total we planned to spend £899.4m (excluding schools) on delivering services in 2024/25. We also planned to spend £232.0m on running schools, the funding for which comes directly from government through the Dedicated Schools Grant.

We expected to finance £288.2m of the Council's spending plan from specific and general government grants, contributions from other bodies, charging and interest income plus contributions from reserves. After taking account of this funding our net operating budget agreed by Council in February 2024 totalled £611.2m.

The net operating budget was financed from Business Rates (£99.5m), the Council Tax Requirement (£498.6m), Council Tax surpluses (£11.7m) and Revenue Support Grant (£1.4m). Council Tax for a Band D property was set at £1,820.56. This was a 4.99% increase from 2023/24.

The report to Council noted that some information on funding was still outstanding and that updates would be made through the Business Management & Monitoring Reports to Cabinet. Subsequent updates to Business Rates funding and Council Tax surpluses increased the Net Operating Budget to £613.5m by 31 March 2025.

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Revenue Year End Position 2024/25

At the end of 2024/25 there was a directorate underspend of £0.2m reflecting action taken throughout the year to manage demand and expenditure.

	Final Budget £m	Total Spend £m	Year End £m
Adult Services	249.0	245.0	4.0
Children's Services	202.1	202.3	-0.2
Environment & Highways	53.5	54.3	-0.8
Economy & Place	16.9	16.7	0.2
Oxfordshire Fire & Rescue Service and Community	28.9	29.5	-0.6
Public Health & Communities	12.9	13.0	-0.1
Resources and Law & Governance	59.8	61.3	-1.5
Transformation, Digital & Customer Experience	8.2	9.0	-0.8
Service Areas Total	631.3	631.1	0.2
Strategic Measures			
Capital Financing	21.3	21.7	0.4
Interest on Balances	-10.6	-17.5	-6.9
Contingency & Pay Inflation	5.3	-0.1	-5.4
Insurance	1.7	1.5	-0.2
Contributions to reserves	20.9	20.3	-0.6
Un-ringfenced Specific Grants	-56.4	-56.4	0.0
Total Strategic Measures	-17.8	-30.5	-12.7
Net Operating Budget	613.5	600.6	-12.9
Business Rates & Council Tax funding	613.5	613.4	0.1
Forecast Year End Position	0.0	-12.8	-12.8

In addition to the underspend on Service Areas there were underspends on budgets held for contingency and pay inflation, and additional interest received on cash balances. The overall position for the Council was an underspend of £12.8m or -2.1% of the Net Operating Budget of £613.5m.

Further detail is set out in the [Business Management and Monitoring Report to Cabinet on 17 June 2025](#).

County Fund & Earmarked reserves:

After taking account of the use of contingency and additional interest on balances, planned changes above as well as supplementary estimates agreed earlier in the year, the County Fund balance as at 31 March 2025 was £45.3m, £15.1m above the risk assessed level of £30.2m at year end. Because of the forecast position earlier in the year, £10.8m from the County Fund was agreed to be used to provide one – off funding to support Transformation and redundancy costs as part of the 2025/26 budget and £0.6m has been agreed to be used to support one-off revenue spending in 2025/26. The remainder will be held in balances pending a decision about future use.

As at 1 April 2024, one – off funding held for specific purposes in earmarked reserves totalled £210.2m. Movements in year increased this to £254.4m as at 31 March 2025. Of this total £113.0m (44%) is funding for future capital expenditure and equipment,

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£48.6m is funding for risk (19%), and £40.7m is for ringfenced grant funding and contributions that will be spent in future years. Corporate Priorities totalling £34.3m includes £10.0m funding to support costs relating to Local Government Reform in Oxfordshire.

DSG Deficit Reserve:

The 2024/25 deficit compared to Dedicated Schools Grant (DSG) funding for High Needs was £34.5m. This was £15.2m higher than the £21.3m forecast deficit for 2024/25 approved by Cabinet in January 2024. Since 2020/21 the CIPFA code of practice has required negative High Needs DSG balances to be held in an unusable reserve. The deficit has increased the cumulative negative High Needs DSG balance held in this reserve from £56.0m as at 31 March 2024 to £92.5m at 31 March 2025. After taking into account of mitigations in the Deficit Management Plan this is forecast to increase by at least £26.7m to £152.9m by 31 March 2026.

The statutory reporting requirements for the 2024/25 accounts require the closing deficit balance on High Needs Dedicated Schools Grant to be held within the Dedicated Schools Grant Adjustment Account. The existing statutory override relating to High Needs that supports this accounting treatment was due to end on 31 March 2026 but the Government has now extended this until 31 March 2028. While the council is continuing to take action to manage the deficit through the Deficit Management Plan, it is continuing to grow. Further information on how High Needs deficits will be managed in future is expected later in the year along with a White Paper on SEND reform.

Notable Achievements in 2024/25

The annual report reflects the highlights and achievements over the last 12 months against the priorities of the council.

Action to tackle climate change lies at the heart of the council's work and 2024/25 has seen the authority being ranked as the top performing waste disposal authority in England for the eleventh year running as well as expanding the council's electric vehicle fleet and reducing operational emissions by 71%. Since the annual report was published the council has been told that it is the best performing county council in the UK for tackling climate change.

Meanwhile £3.6m has been secured to improve public EV charging to make driving electric vehicles more accessible in the county and more than 200 requests have been approved to reduce speed limits to 20mph in towns and villages. Five new bus routes began operating to connect more villages and market towns to Oxford following a £1.2m allocation from the council.

During 2024/25 the council planted 825 trees and 16 new community orchards. It completed more than 3,300 tree care operations and 20 new road verge nature reserves were designated.

The council's work to support residents during the cost of living crisis includes providing 500 vulnerable households more than £1.2m in supermarket vouchers, energy credit and essential household items through the council's government-funded resident support scheme; and providing £3.3m to ensure families entitled to free school

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meals received support during school holidays.

And in terms of wider support to the most vulnerable, the Council was awarded local authority of sanctuary status for supporting people fleeing war, persecution and serious human rights violations - the first county council to do so.

Achievements around creating a healthier county include partnering with University College London's Institute of Health Equity and renowned academic Sir Michael Marmot to become a "Marmot Place" – a two-year programme to tackle health inequalities and local communities.

Waiting times for social care assessments continued to fall, with the cumulative improvement over the last four years being 80%. Meanwhile more people were supported to live in their own communities for longer with 3,186 packages of home care arranged.

The Council's discharge to assess programme has enabled more than 7,000 people to be discharged safely from hospital – an increase of 23% compared to the previous year.

Many accolades were achieved by the council in 2024/25 including the 2024 LARAC Best Partnership award for improving recycling and reducing waste (jointly won with community action groups), and an Municipal Journal award for the "Cheers M'Dears" Community Support Service in Banbury.

The Council's performance and insight analyst team won the best teamwork award in the ONS Datathon 2024 and a construction project to improve Banbury railway station won a Green Apple Environment Gold award.

Capital investment plans and expenditure in 2024/25

The Capital and Investment Strategy outlines the council's approach to capital investment over the next ten years and incorporates the requirements of the CIPFA Prudential Code for Local Authorities. A ten-year Capital Programme sets out how the Council will use capital expenditure to deliver its priorities.

The original capital programme for 2024/25 was agreed by Council in February 2024. This set out an expected programme of spend of £320.0m during the year. This included £26.4m planned expenditure on the provision of additional school places and new schools in housing developments, £176.4m on major infrastructure projects, including large road improvement schemes, £63.4m on the Highways Asset Management Plan and £30.6m expenditure relating to the council's Property Strategy. The total ten year capital programme totalled £1.489.8m. Planned funding was made up of grants and contributions (£814.2m), developer contributions, Community Infrastructure Levy and other external contributions (£208.0m), revenue funding (£36.9m), prudential borrowing (£272.3m), capital receipts (£119.2m) and contributions from capital reserves (£39.2m).

The capital programme is updated throughout the year to reflect the latest delivery profiles and cost estimates for each programme. The last update was based on the January 2025 monitoring position, and this was agreed by Cabinet in March 2025. Planned capital spend for 2024/25 totalled £251.1m. Actual capital programme expenditure by 31 March 2025 was £231.0m. The variation between the latest programme and the actual expenditure was an underspend of £20.1m (-8%). This spend is now expected to take place in 2025/26. The expenditure in 2024/25 was funded

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by £146.9m of capital grants and other external contributions, £27.1m of developer contributions and Community Infrastructure Levy, £3.3m of revenue contributions, and £53.7m of prudential borrowing.

Further detail is set out in the [Capital Outturn Report to Cabinet on 17 June 2025](#).

Financial Outlook

The Financial Strategy for 2025/26 agreed by Council in February 2025 explained that the Government had set out that from 2026/27 the way councils are funded will be reformed with the intention of directing funding to where it is most needed, based on an up-to-date assessment of need and local resources.

The Strategy noted that it is possible that existing funding available to the Council could reduce by £20m - £45m over a two or three year period from 2026/27 onwards requiring savings to be made to balance the overall budget.

The consultation on the Fair Funding Review 2.0 opened on 20 June 2025 and will close on 15 August 2025. The outcome of the consultation and detailed funding information for 2026/27 is not expected until later in the year, but in the meantime the Council is looking at options to manage the potential impact over the medium term and will consider those through the budget process for 2026/27.

Action continues to be taken to manage demand and expenditure and forecast spend for 2025/26 is expected to be managed within the overall budget. The Council continues to receive additional funding from interest on cash balances which has helped to provide one – off funding for priorities including transformation. The 2025/26 budget also includes an on-going contingency budget of £7.3m. This includes £4.7m for demand risk, £1.7m for the non – achievement of planned savings and £0.9m for other risks.

The 2024/25 Earmarked Reserves and General Balances Policy Statement maintained the risk assessed level of General Balances at £30.2m in 2025/26. This is equivalent to 4.7% of the net revenue budget for the year.

Continued increases in demand and inflationary pressures relating to expenditure on High Needs are proving to be considerably more significant than reductions in expenditure that can be achieved through efficiencies and demand management. There is therefore a significant risk that deficits will continue to increase and even after taking account of actions in the Deficit Management Plan the total High Needs deficit is expected to reach £119.2m by 31 March 2026. A White Paper on SEND reform is expected to be published later this year along with information about how deficits will be managed, however, at this stage further information is awaited.

Basis of Preparation and Presentation

The Council produces a Statement of Accounts to provide transparency about the Council's finances, to give assurance to stakeholders that public money has been properly accounted for and that the financial standing of the Council is on a secure basis.

The accounts bring together all the Council's financial statements for the year 2024/25 and show its financial position as at 31 March 2025. The statements reflect both revenue and capital elements for the General Fund, including transactions relating to joint operations with other local authorities and health bodies. The County Council is

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the administering authority for the Oxfordshire Local Government Pension Fund. As such, the Fund accounts are included as a disclosure within the Council's accounts.

The Statement of Accounts must provide a 'true and fair' view of the Council's financial position as at 31 March 2025 and of its income and expenditure for the 2024/25 financial year. When preparing the accounts consideration is given to the materiality of information. Disclosure of information is made where omitting it could be misleading or inhibit the true and fair view.

The strong and prudent level of general balances, combined with Earmarked Reserves (Note 44) and action being taken to ensure we can manage the capital programme within the available resources, are sufficient to ensure that the County Council is able to continue to meet the cost of the provision of services over the medium term. Therefore, the accounts are prepared on a 'going concern' basis.

Notes to the accounts

The Notes to the Accounts explain and provide further detail behind the key items and entries within the Financial Statements. They consist of:

- Expenditure and Funding Analysis – Compares the net expenditure as funded by taxation with the accounting cost of providing services as presented in the Comprehensive Income and Expenditure Statement.
- Notes to the Accounts – Which explain some of the key items and disclosures in the accounts.
- Pension Fund Accounts – These are the accounts of the Pension Fund, which is operated for employees of the County Council, District Councils and other bodies.
- Statement of Responsibilities for the Statement of Accounts – Outlines the key responsibilities in respect of the accounts, together with statements from the Chief Finance Officer and Chairman of the Audit & Governance Committee.

The objective of the Expenditure and Funding Analysis is to demonstrate to Council taxpayers how the funding available to the Council (i.e. government grants, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices.

The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Annual Governance Statement

The Audit & Governance Committee approved the Annual Governance Statement (AGS) for 2024/25 at its meeting on 4 June 2025. The AGS summarises the governance framework that has been in place in the Council during 2024/25 and sets out where action is being taken to strengthen governance processes.

Conclusion

Through careful planning and management, Oxfordshire County Council has ensured that we achieved or made good progress with our priorities for the year. We have delivered vital services to the residents and communities of Oxfordshire and have reached the end of the business year in a robust financial position.

Statement of Responsibilities for the Statement of Accounts

The County Council's Responsibilities

The County Council is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. For Oxfordshire County Council, that officer is the Executive Director of Resources and Section 151 Officer
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets

The Audit & Governance Committee has examined these accounts and authorised the Chairman to approve the statement of accounts on its behalf.

Signed:

Date:

ROZ SMITH

Chairman of the Audit & Governance Committee

The Responsibilities of the Executive Director of Resources and Section 151 Officer

The Executive Director of Resources and Section 151 Officer is responsible for the preparation of the County Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 ('the Code of Practice').

In preparing this Statement of Accounts, the Executive Director of Resources and Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Code of Practice

The Executive Director of Resources and Section 151 Officer has also

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities

Certificate

I certify that the Statement of Accounts gives a true and fair view of the financial position of the County Council and its income and expenditure for the year ended 31 March 2025.

Signed:

Date:

LORNA BAXTER

Executive Director of Resources and Section 151 Officer

Independent Auditor's Report to Members of Oxfordshire County Council

Once the accounts have been audited the Independent Auditor's Report to Members of Oxfordshire County Council will be added here.

Expenditure and Funding Analysis

A description of the purpose of this note is included in the Narrative Report. Please note that this is not a Primary Financial Statement.

2023/24							2024/25			
Expenditure chargeable to the County Fund £'000	Adjustments between funding and accounting basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000		Expenditure chargeable to the County Fund £'000	Adjustments between funding and accounting basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000		Expenditure chargeable to the County Fund £'000	Adjustments between funding and accounting basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000
229,726	3,068	232,794	Adult Services	245,057	3,160	248,217				
180,090	57,020	237,110	Children's Services	202,273	61,292	263,565				
51,237	35,274	86,511	Environment & Highways	54,491	56,151	110,642				
16,949	-6,991	9,958	Economy and Place	16,670	1,335	18,005				
			Fire & Rescue Service and Community							
27,699	-368	27,331	Safety	29,520	1,228	30,748				
12,227	9,668	21,895	Public Health & Communities	12,985	5,014	17,999				
64,824	6,603	71,427	Resources and Law & Governance	61,327	8,824	70,151				
			Transformation, Digital & Customer							
5,004	3,190	8,194	Experience	8,955	-139	8,816				
0	4,212	4,212	Other Corporate Costs	0	1,212	1,212				
587,756	111,676	699,432	Service Costs	631,278	138,077	769,355				
-607,063	-110,369	-717,432	Other Income and Expenditure not charged to services	-634,584	-171,864	-806,448				
-19,307	1,307	-18,000	Surplus (-) or Deficit (+) on Provision of Services	-3,306	-33,787	-37,093	4			
22,642			Opening County Fund Balance at 1 April	41,950						
19,308			Add surplus (+) or deficit (-) on the County Fund for the year	3,306						
41,950			Closing County Fund Balance at 31 March	45,256						

Comprehensive Income and Expenditure Statement

2023/24 Gross Expenditure £'000	Income £'000	Net Expenditure £'000	Notes	2024/25 Gross Expenditure £'000	Income £'000	Net Expenditure £'000
323,505	-90,711	232,794	Adult Services	346,480	-98,263	248,217
569,291	-332,181	237,110	Children's Services	632,435	-368,870	263,565
107,312	-20,801	86,511	Environment & Highways	133,332	-22,690	110,642
35,310	-25,352	9,958	Economy and Place	41,969	-23,964	18,005
30,501	-3,170	27,331	Fire & Rescue Service and Community Safety	34,196	-3,448	30,748
61,442	-39,548	21,894	Public Health & Communities	58,647	-40,647	18,000
85,464	-14,037	71,427	Resources and Law & Governance	87,522	-17,371	70,151
8,380	-185	8,195	Transformation, Digital & Customer Experience	9,071	-255	8,816
6,260	-2,048	4,212	Other Corporate Costs	4,424	-3,212	1,212
1,227,465	-528,033	699,432	Cost of Services	1,348,076	-578,720	769,356
12,986	-1,427	11,559	Other Operating Expenditure	20,866	-4,266	16,600
30,597	-21,654	8,943	Financing and Investment Income and Expenditure	22,682	-33,065	-10,383
0	-737,934	-737,934	Taxation and Non-Specific Grant Income	0	-812,665	-812,665
1,271,048	-1,289,048	-18,000	Surplus (-) or Deficit (+) on Provision of Services	1,391,624	-1,428,716	-37,092
			Items that will not be reclassified to the Surplus (-) or Deficit (+) on the Provision of Services			
		-27,016	Surplus or Deficit on revaluation of non-current assets			-8,071
		1,015	Impairment losses on non-current assets charges to the revaluation reserve			497
		-169,331	Remeasurements of the net defined benefit liability (asset)			135,010
		-195,332				127,436
			Items that may be reclassified to the Surplus (-) or Deficit (+) on the Provision of Services			
		0	Other gains or losses			0
		0				0
		-195,332	Other Comprehensive Income and Expenditure			127,436
		-213,332	Total Comprehensive Income and Expenditure			90,344

Movement in Reserves Statement

Notes	County Fund Balance	Earmarked Reserves	Capital Receipts Unapplied	Capital Grants and Contbns Unapplied	Total Usable Reserves	Total Unusable Reserves	Total Reserves	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Balance at 31 March 2023	22,642	202,853	31,671	218,348	475,514	564,104	1,039,618	
Movement in reserves during 2023/24								
Total Comprehensive Income and Expenditure	18,000	0	0	0	18,000	195,333	213,333	
Adjustments between accounting basis and funding basis under statutory provisions	6	-3,558	0	1,403	3,586	1,431	-1,431	0
Transfers to / from earmarked reserves	44	4,866	7,350	0	0	12,216	-12,216	0
Increase (+) or Decrease (-) In Year	19,308	7,350	1,403	3,586	31,647	181,686	213,333	
Balance at 31 March 2024	41,950	210,203	33,074	221,934	507,161	745,790	1,252,951	
Movement in reserves during 2024/25								
Total Comprehensive Income and Expenditure	37,092	0	0	0	37,092	-127,436	-90,344	
Adjustments between accounting basis and funding basis under statutory provisions	6	-23,979	0	4,254	-38,099	-57,824	57,824	0
Transfers to / from earmarked reserves	44	-9,807	44,267	0	0	34,460	-34,460	0
Increase (+) or Decrease (-) In Year	3,306	44,267	4,254	-38,099	13,728	-104,072	-90,344	
Balance at 31 March 2025	45,256	254,470	37,328	183,835	520,889	641,718	1,162,607	

Balance Sheet

As at 31 March 2024 £'000		Notes	As at 31 March 2025 £'000
Long Term Assets			
1,344,413	Property, Plant and Equipment	22	1,459,394
25,685	Investment Property	23	23,895
1,459	Intangible Assets	25	1,199
35,000	Long Term Investments	34	35,000
11,209	Long Term Debtors	35	9,266
1,417,766	Total Long Term Assets		1,528,754
Current Assets			
124	Assets Held for Sale	24	560
142,218	Debtors	36	134,435
471,255	Short Term Investments	34	406,279
41,787	Cash and Cash Equivalents	37	46,806
655,384	Total Current Assets		588,080
Current Liabilities			
-22,296	Short Term Borrowing	34	-14,811
-134,727	Short Term Creditors and Revenue Receipts in Advance	39	-144,320
-5,187	Provisions due within one year	40	-4,816
-836	Short Term Finance Lease Liability	28,34	-1,627
-31,755	Short Term Capital Grants Receipts in Advance	43	-39,931
-194,801	Total Current Liabilities		-205,505
Long Term Liabilities			
-29,173	Long Term Creditors and Revenue Receipts in Advance	39	-26,172
-4,389	Provisions due over one year	40	-3,498
-266,383	Long Term Borrowing	34	-259,883
-129,642	Pension Liability	17	-266,529
-14,161	Long Term Finance Lease Liability	28,34	-16,943
-2,518	Deferred Income	41	-1,687
-179,131	Long Term Capital Grants Receipts in Advance	43	-174,009
-625,397	Total Long Term Liabilities		-748,721
1,252,951	Net Assets (+) / Net Liabilities (-)		1,162,608
Financed from:			
507,161	Usable Reserves	42, 44-46	520,889
745,790	Unusable Reserves	47-53	641,719
1,252,951	Total Reserves		1,162,608

I certify that the statement of accounts gives a true and fair view of the financial position of the Council at 31 March 2025 and its income and expenditure for the year ended 31 March 2025.

Lorna Baxter

Executive Director of Resources & Section 151 Officer

Date:

Cash Flow

2023/24 £'000		Notes	2024/25 £'000
-18,000	Net (surplus) or deficit on the provision of services		-37,092
-77,926	Adjust net surplus or deficit on the provision of services for non-cash movements	54	-34,162
89,704	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	55	119,769
- 6,222	Net cash flows from Operating Activities		48,515
-41,441	Investing activities	56	-66,871
22,740	Financing activities	57	13,337
-24,923	Net increase (-) or decrease (+) in cash and cash equivalents		-5,019
16,864	Cash and cash equivalents at the beginning of the reporting period		41,787
41,787	Cash and cash equivalents at the end of the reporting period		46,806



Notes to the Statement of Accounts



**OXFORDSHIRE
COUNTY COUNCIL**

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1. Summary of Significant Accounting Policies General

The Statement of Accounts summarises the County Council's transactions for the 2024/25 financial year and its position at the year-end 31 March 2025. It has been compiled in accordance with *The Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code)*, published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

Going Concern

The CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 requires that local authorities prepare their accounts on a going concern basis, as they can only be discontinued under statutory prescription. The Council does not consider that there is material uncertainty in respect of its ability to continue as a going concern for the foreseeable future. In addition, management are not currently aware of any significant information that is available for the period beyond 2025/26 that would indicate a contrary conclusion.

This assessment informed the budget for 2025/26, medium term financial strategy to 2027/28, and ten-year Capital Programme to 2034/35 with mitigations to address risks and issues highlighted in the assessment.

The Council's Financial Strategy sets out that financial sustainability and resilience requires successful and sustained focus on the delivery of four critical elements and financial planning principles. These underpin the revenue budget and medium-term financial strategy:

- Transforming the council to become employer, partner and place shaper of choice.
- Managing the impact of rising need through demand management.
- Delivering agreed savings and planned outcomes from investments.
- Ensuring the level of earmarked reserves and general balances is adequate based on the level of risk and financial uncertainty and only using one-off resources for temporary purposes.

The 2025/26 budget was approved by Council on 11 February 2025 and taking account of previously agreed and new changes includes £17.7m funding for inflation; £6.9m for investments; £23.3m for demographic changes and £13.0m to respond to demand and other pressures. Savings totalling £30.7m are need to be achieved in 2025/26 and the achievement of these are being tracked through the Business Management & Monitoring Reports to Cabinet. Net budgets for Children Services increased by 9% and 19% for Economy and Place in cash terms compared to 2024/25.

There was a revenue underspend of £12.8m at the end of 2024/25 after taking account of the use of contingency and additional interest on cash balances. After taking account of this, the County Council's General Fund balance as at 31 March 2025 was £45.3m.

The risk assessed level of general balances for 2025/26 is £30.2m. Based on the forecast position reported to Cabinet in October 2025 balances are currently forecast to be £5.8m higher than that as at 31 March 2025.

Notes to the Statement of Accounts

The Council proactively manages its cashflow, maintaining an approximate daily forecast of available funds of £20m. This minimum level of liquid cash is held in a combination of UK banks and Money Market Funds. The Councils cashflow forecast projects to maintain at least £10 million in liquid cash and deposits from 31 March 2026 through to 31 March 2027. Liquid deposits are supplemented by the Councils ability to borrow short-term from other local authorities and ultimately borrowing from the Public Works Loan Board could be secured within five working days. The Council has not needed to activate this facility.

At 31 March 2025, the council’s outstanding debt totalled £272m. The Treasury Management Strategy for 2024/25 assumed that the council’s borrowing requirement for the year would be met through internal borrowing, as external borrowing rates were forecast to remain high during the year, then reduce over the medium term. During the year the council launched its “green bond” in December 2024 raising an initial £0.5m. No other external borrowing was raised during the year, whilst £3m of maturing Public Works Loan Board (PWLB), and £10m of LOBO1 loans were repaid. Given the high level of cash balances and forecast for borrowing rates to significantly reduce in the medium term, the Treasury Management Strategy agreed in February 2025 sets out that the council should maintain the option to fund new or replacement borrowing through internal borrowing so it is not expected that any external borrowing will need to be taken in 2025/26.

The balance on the General Fund and total useable earmarked reserves at the end of each financial year are set out in the table below.

Date	Status	General Fund Balances (£m)	Earmarked Reserves (£m)
31 March 2020	Audited	24.1	118.7
31 March 2021	Audited	34.7	151.5
31 March 2022	Audited	39.3	183.6
31 March 2023	Disclaimed Opinion*	22.6	203.0
31 March 2024	Disclaimed Opinion*	41.9	210.4
31 March 2025	Audited	45.2	254.5

*The 2022/23 statement of accounts was not subject to a full audit following the national consultation to address the local audit backlog in England. As a result, Ernst & Young, our external auditors, did issue a disclaimed audit opinion for 2022/23. This approach enables progress on clearing the backlog and moving forward with future audits. Consequently, a disclaimed opinion has also been issued for 2023/24, as assurance over the opening balances was not available.

£10.8m of the general fund balance as at 1 April 2025 has been transferred to earmarked reserves as part of the budget for 2025/26. This funding will help to mitigate future risks and to enable the priorities for the next phase of transformation to be delivered and to create a sustainable council for the future.

The Council’s prudent minimum balance on the General Fund for 2025/26 is £30.2m representing around 5% of the net operating budget. Taken together with on-going contingency funding of £7.3m built into the 2025/26 budget, as well as funding for pay inflation that was not required to be used in 2025/26, and additional interest on cash balances, there is therefore headroom within the General Fund to manage further inflationary or demand pressure in 2025/26.

Notes to the Statement of Accounts

The Medium-Term Financial Strategy assumes a deficit of £1.8m from 2025/26 based on a council tax increase of 3.99%. In the summer the Government confirmed that the referendum limit for 2026/27 will be set at 4.99%. If the increase is set at this level there would be a surplus of £3.3m. There is also £4.9m on-going funding being released from one – off investments in 2025/26. The impact of funding reform which is estimated at a reduction of £25m to £50m over three years. Action will be taken through the budget process to ensure that the council is able to set a balanced budget for 2026/27. However, given how late in the process the council will be informed of its funding for 2026/27, this will not allow sufficient time for a proper consideration of policy impacts and to allow a meaningful engagement with the public if the funding reductions are significantly more than estimated. In this scenario, it will be necessary to take temporary measures using one – off funding to balance the budget for 2026/27, ahead of due and proper consideration of action that would need to be taken in the longer run.

An unusable reserve was established in 2020/21 to hold negative High Needs Dedicated Schools Grant (DSG) balances, in accordance with changes to the CIPFA Code of Practice. At 31 March 2025, the accumulated High Needs DSG deficit stood at £92.3 million. This deficit is currently managed under a statutory override, which requires it to be held in an unusable reserve until March 2028, thereby protecting the General Fund. While this approach mitigates the immediate impact, it remains a significant financial risk.

The Council has implemented a comprehensive Deficit Management Plan aligned with the Department for Education's Delivering Better Value programme. Key actions include the development of new special schools and SEN resource bases, piloting the transfer of resource bases to schools, introducing a banding system from April 2026, renegotiating contracts, reviewing internal services, reducing agency costs, and driving efficiencies. Despite these measures, demand growth and inflationary pressures continue to exceed achievable savings, and the DSG deficit is forecast to increase to £152.9 million by March 2026.

The government is expected to publish arrangements for the management of deficits as part of the Provisional Local Government Finance Settlement for 2026/27. In addition, a White Paper on SEND was originally expected to be published by the government in Spring 2025. In October 2025 this was delayed further to early 2026.

On 16 December 2024, the Government published the Devolution White Paper, setting out proposals to accelerate reform of local government structures and implement devolution across England. The intention is to replace the current two-tier system of district and county councils with successor councils, which, along with existing unitary authorities, will be required to join a Strategic Authority. In February 2025, the Government invited Oxfordshire councils to submit interim proposals, and three options were presented; a single unitary council – One Oxfordshire (the County Council's preferred option); two unitary councils – Oxford and Shires Council and Ridgeway Council; and three unitary councils – Greater Oxford Council, Northern Oxfordshire Council, and Ridgeway Council. Detailed work has since been undertaken on each option, with final proposals required to be submitted by 28 November 2025, followed by statutory consultation.

In January 2025, Cabinet approved the creation of a reserve to support the cost of reorganisation and devolution with an initial contribution of £5 million. Cabinet approved the addition of a further £5 million in March 2025 increasing the total to £10m.

Notes to the Statement of Accounts

The Government is expected to announce its decision in late spring or early summer 2026, with elections to a shadow authority (or authorities) likely in May 2027 and the new council(s) coming into effect on 1 April 2028.

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when the cash payments are made or received.

Where income and expenditure has been recognised, but the cash has not been received or paid, a debtor or creditor for the relevant amount is recognised in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is reduced, and a charge is made to revenue for the income that might not be recoverable.

Government Grants and Contributions

Government grants and third-party contributions are accounted for on an accrual basis and are recognised in the Statement of Accounts when there is reasonable assurance that the County Council will comply with the conditions attached to their payment and that the grants or contributions will be received.

Grants and contributions relating to capital and revenue expenditure are recognised immediately in the Comprehensive Income and Expenditure Statement as income, except to the extent that the grant or contribution has a condition that the County Council has not satisfied. Conditions are stipulations that require the grant or contribution to be returned to the provider if the terms of the grant or contribution are not met.

Monies advanced as grants or contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors (capital monies within Capital Grants Receipts in Advance). When conditions are satisfied, the grant or contribution is credited to the relevant directorate line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income line (un-ringfenced revenue grants and all capital grants and contributions) in the Comprehensive Income and Expenditure Statement.

Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement are reversed out of the County Fund Balance in the Movement in Reserves Statement - where the grant/contribution has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve; where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that the Council will comply with any conditions that would require repayment of the grant or contribution if not met, and the grants and contributions will be received.

Grants and contributions are credited to the Comprehensive Income and Expenditure Statement when recognised as due to the Council (i.e., specific revenue grants and contributions are credited to the relevant service line in the Cost of Services, and capital grants and contributions and non-ring-fenced grants are credited to Taxation and Non-Specific Grant Income and Expenditure).

Where specific revenue grants and contributions are credited to the Comprehensive

Income and Expenditure Statement, but the associated expenditure has not yet been incurred, the grant is set aside in an Earmarked Revenue Reserve so that it can be matched with the expenditure in a subsequent year.

Capital grants and contributions are reversed out of the General Fund Balance in the Movement in Reserves Statement and are transferred to the Capital Adjustment Account (if the grant eligible expenditure has been incurred) or to the Capital Grants Unapplied Account.

Revenue grants and contributions that have been credited to the relevant directorate line in the Comprehensive Income and Expenditure Statement that remain unapplied as at the Balance Sheet Date and are required to meet committed expenditure in future years are transferred to an earmarked reserve through the Movement in Reserves Statement.

Council tax and business rates income

The council tax and business rates income included in the Comprehensive Income and Expenditure Statement (CIES) for the year is the accrued income for the year. The difference between the income included in the CIES and the amount required by regulation to be credited to the County Fund is taken to the Collection Fund Adjustment Account and included as an adjusting item in the Movement in Reserves Statement.

The district councils in Oxfordshire act as agents of the County Council in collecting council tax and business rates. The cash collected from council tax payers and business rates payers belongs proportionately to the district councils and the major preceptors. There is, therefore, a debtor/creditor position between each district council and the County Council to recognise that the net cash paid to the County Council in the year is not the same as its share of cash collected. The County Council recognises its share of Council Tax and business rates debtor and creditor balances, impairment allowances for doubtful debts and provisions for losses on appeal in its Balance Sheet. The Cash Flow Statement of the County Council includes the net council tax and business rates cash received from the Collection Fund in the year.

Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are recognised as an expense in the year in which employees render service to the Council.

Termination Benefits

Termination benefits are charged, on an accrual basis, to the relevant service line in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Post-Employment Benefits

The County Council participates in four pension schemes:

- The Local Government Pension Scheme
- The Fire-fighters' Pension Scheme
- The Teachers' Pension Scheme and
- The NHS Pension Scheme

Notes to the Statement of Accounts

These schemes provide defined benefits to members, however, the arrangements for the Teachers' Pension Scheme and the NHS Pension Scheme mean that liabilities for these benefits cannot be identified to the County Council. These schemes are, therefore, accounted for as if they are defined contribution schemes – no liability for future payment of benefits is recognised in the Balance Sheet and the relevant service lines in the Comprehensive Income and Expenditure Statement are charged with the employer's contributions payable in the year.

The County Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award are accounted for on the same basis as defined benefit schemes.

For the schemes treated as defined benefit schemes the Cost of Services includes:

- Current service cost – the increase in the present value of a scheme's liabilities resulting from employee service in the current period. This is included in the relevant directorate line within the Cost of Services.
- Past service cost – the increase in the present value of the scheme liabilities for employee service in prior periods, resulting from a scheme amendment or curtailment. This is included in Other Corporate Costs within the Cost of Services.
- Gain/loss on settlement – changes in liabilities relating to actions that relieve the County Council of primary responsibility for a pension obligation. This is included in Other Corporate Costs within the Cost of Services.

The net interest on the defined benefit liability (asset) – the change during the period in the net defined benefit liability (asset) that arises from the passage of time - is included in the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. Remeasurements comprising actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuary has updated their assumptions

– and the return on scheme assets, excluding amounts included in net interest on the net defined liability (asset), are recognised in Other Comprehensive Income and Expenditure within the Comprehensive Income and Expenditure Statement.

Scheme assets attributable to the County Council are measured at fair value as at the Balance Sheet date. Scheme liabilities attributable to the County Council are measured on an actuarial basis using the projected unit method. The net pensions liability is recognised in the Balance Sheet.

The amount chargeable to the County Fund for providing pensions for employees is the amount payable for the year in accordance with the statutory requirements governing each particular pension scheme. Where this amount does not match the amount charged to the Surplus or Deficit on the Provision of Services for the year the difference is taken to the Pensions Reserve via the Movement in Reserves Statement.

Fire-Fighters injury awards are disability benefits paid by the County Council that do not form part of the Fire-Fighters Pension Scheme. However, the measurement of these long-term benefits is subject to the same degree of uncertainty as the measurement of fire-fighters post-employment benefits and therefore they are accounted for in the same way as Fire-Fighters post-employment benefits.

Property, Plant and Equipment

Assets that have a physical substance and are held for use in the production or supply of goods or services, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment. These include operational land and buildings, vehicles, plant and equipment, surplus assets, assets under construction and infrastructure.

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accrual basis, provided that it is probable that future economic benefits or service potential associated with the item will flow to the County Council and the cost of the item can be measured reliably. This excludes expenditure on routine repairs and maintenance, which is charged directly to service revenue accounts as an expense when incurred.

Assets are initially measured at cost, comprising:

- The purchase price
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located (this only applies when the County Council has an obligation to carry out such activities when the item is acquired, constructed or installed)

The County Council does not capitalise borrowing costs incurred whilst assets are under construction.

Property, Plant and Equipment is subsequently carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historic cost
- Other Property, Plant and Equipment assets (excluding surplus assets) – current value, determined as the amount that would be paid for the asset in its existing use

Surplus assets – fair value (at highest and best use), determined as the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of current value.

Where non-property assets have short useful lives or low values (or both), depreciated historic cost basis is used as a proxy for current value.

Notes to the Statement of Accounts

A *de minimis* level of £30,000 is applied for land and buildings and £20,000 for vehicles and plant, other than for schools local capital spend where a *de minimis* of £2,000 is applied.

Revaluations of property assets are undertaken on a three-year rolling programme as shown below. Material changes to asset valuations are adjusted in the interim periods

		Date of Last Revaluation	Date of Next Revaluation
Year 1	Secondary and Special Schools, Other Educational Premises (Children's, Youth and Sports Centres), Surplus Assets and properties not re-valued in other years.	2023/24	2026/27
Year 2	Primary, Nursery, Junior and Infant Schools	2022/23	2025/26
Year 3	Social Care Premises, Libraries, Museums and Adult Learning, Fire & Rescue Service Premises, Community Safety, Staff Housing, Central Offices and Highways Depot	2024/25	2027/28

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Surplus or Deficit on the Provision of Services where they arise from the reversal of a loss previously charged to a directorate.

Decreases in valuations are accounted for as follows:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant directorate in the Comprehensive Income and Expenditure Statement

Assets are assessed each year as to whether there is an indication of impairment. Where indications exist and the recoverable amount of the asset is materially lower than the carrying amount, an impairment loss is recognised for the shortfall. Where impairment losses are identified they are accounted for in the same way as decreases in valuations.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant directorate, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation of Property, Plant and Equipment

Depreciation is provided for on all Property, Plant and Equipment with a finite life, which is determined at acquisition or revaluation. Assets under construction are not depreciated until they are brought into use. Depreciation is an estimation technique that is calculated using the straight-line method with the following asset lives:

- Buildings: 60 years (or less if specified by the valuer)
- Vehicles, plant and equipment: between 5 and 30 years

Notes to the Statement of Accounts

- IT equipment and infrastructure: between 3 and 5 years
- Infrastructure (roads and bridges): 35 years

Land is determined to have an infinite life and is not depreciated.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historic cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Infrastructure Assets

Infrastructure assets are recognised in the Balance Sheet under Property, Plant and Equipment and include carriageways, structures (e.g. bridges), footways and cycle tracks, street lighting and street furniture which together form a single integrated network.

Expenditure on the acquisition or replacement of components of the network is capitalised on an accruals basis, provided that it is probable that the future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably.

Infrastructure assets are generally measured at depreciated historical cost.

Where impairment losses are identified they are accounted for by writing down the carrying amount of the asset to the recoverable amount.

Depreciation is charged on a straight-line basis on parts of the infrastructure network assets that are subject to deterioration or depletion.

When a component of the infrastructure network is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to Other Operating Expenditure in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals, if any, are credited to the same line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal.

The written off value of disposal is appropriated to the Capital Adjustment Account from the County Fund Balance in the Movement in Reserves Statement so that there is no charge against the Council Tax.

Charges to Revenue for Property, Plant and Equipment

Services, support services and trading accounts are charged with a capital charge for all Property, Plant and Equipment used in the provision of services. The charge covers the annual provision for depreciation and revaluation and impairment losses where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off. The County Council is not required to raise council tax to fund depreciation or revaluation/impairment losses. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement (referred to as Minimum Revenue Provision (MRP)). Depreciation and revaluation/impairment losses are therefore replaced by the MRP contribution in the

Notes to the Statement of Accounts

County Fund Balance by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. To be classified as an Asset Held for Sale the asset must meet the following criteria:

- Available for immediate sale in its present condition
- The sale must be highly probable
- Actively marketed at a reasonable sale price
- The sale should be expected to be completed within 1 year

Assets Held for Sale are measured at the lower of their carrying value and fair value less costs to sell at initial reclassification. Gains in fair value are recognised only up to the amount of any previously recognised losses in the Surplus or Deficit on the Provision of Services. Decreases in fair value less costs to sell are recognised in Other Operating Expenditure in the Comprehensive Income and Expenditure Statement. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to Property, Plant and Equipment and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation or revaluations that would have been recognised had they not been classified as Held for Sale) and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of, the carrying amount of the asset in the Balance Sheet is written off to Other Operating Expenditure in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Any revaluation gains in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Receipts from the disposal of assets in excess of £10,000 are categorised as capital receipts. Capital receipts are appropriated to the Capital Receipts Unapplied reserve from the County Fund Balance in the Movement in Reserves Statement.

The written off value of assets disposed of is appropriated to the Capital Adjustment Account from the County Fund Balance in the Movement in Reserves Statement so that there is no charge against the Council Tax.

Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost and subsequently at fair value (at highest and best use), being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. Investment properties are not depreciated and are revalued annually according to market conditions. Gains and losses on revaluation are posted to the Financing and Investment

Notes to the Statement of Accounts

Income and Expenditure line in the Comprehensive Income and Expenditure Statement. Gains and losses on disposal are posted to Other Operating Expenditure. The gains and losses are reversed out of the County Fund Balance to the Capital Adjustment Account (or Capital

Receipts Unapplied for disposal receipts over £10,000) in the Movement in Reserves Statement so that they do not impact on Council Tax.

Revenue Expenditure Funded from Capital Under Statute

Capital expenditure on non-current assets not owned by the County Council and grants given by the County Council for capital purposes are charged to the relevant directorate in the Comprehensive Income and Expenditure Statement. In accordance with statutory provisions this expenditure is transferred from the County Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement, such that there is no impact on Council Tax.

Private Finance Initiative (PFI) and similar contracts (service concession arrangements)

PFI type contracts involve a private sector entity (the operator) constructing or enhancing property used in the provision of a public service and operating and maintaining that property for a specified period of time. The operator is paid for its services over the period of the arrangement. Where the County Council controls or regulates the services provided by the operator and controls the residual interest in the property at the end of the term of the arrangement the contract meets the tests for accounting as a service concession arrangement.

Properties used in service concession arrangements are recognised as Property, Plant and Equipment of the County Council. The original recognition of the assets at fair value (based on the cost to purchase the assets) is matched by the recognition of liabilities for amounts due to the operators to pay for the assets and deferred income where the operator part funds the assets from income from third parties. Once recognised on the Balance Sheet these assets are revalued and depreciated in the same way as other Property, Plant and Equipment owned by the County Council.

The amounts payable to the service concession arrangement operators each year are analysed into five elements:

- The value of services received during the year – charged to the relevant directorate in the Comprehensive Income and Expenditure Statement
- Finance costs – an interest charge on the outstanding finance liability – charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- Payments towards the finance liability – applied to write down the Balance Sheet liability towards the operator
- Contingent rents – inflationary increases in the amounts to be paid for the property arising during the contract – charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. Note for the County Council's current service concession arrangement there is no inflation applied to the elements of the contract payments relating to the property build costs and, therefore, there are no contingent rents.

Notes to the Statement of Accounts

- Lifecycle replacement costs – recognised as a capital prepayment in the Balance Sheet and transferred to Property, Plant and Equipment when capital works are undertaken.

Deferred income is released to the relevant directorate in the Comprehensive Income and Expenditure Statement on a straight-line basis over the service concession period.

Leases

Leases are classified as finance leases where the terms transfer substantially all the risks and rewards incidental to ownership of the asset from the lessor to the lessee. All other leases are classified as operating leases. Where a property lease covers both land and buildings, the elements are considered separately for classification purposes. Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement depends on the use of specific assets.

Leased assets are recognised as a right-of-use asset at the date from which the asset is available for use or, from 1 April 2024, if later. At the same time, the Council recognises a corresponding lease liability. The liability is measured at the present value of future lease payments, discounted using the interest rate implicit in the lease or, if not available, the Council's incremental borrowing rate based on the expected term of the lease. Lease payments include fixed payments, variable payments based on an index or rate, amounts under residual value guarantees, payments for purchase or renewal options where reasonably certain, and penalties for early termination where applicable.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for any prepayments, direct costs incurred, and obligations to dismantle or restore the underlying asset, less any incentives received. For leases with nil or peppercorn consideration, the asset is measured at fair value, and any excess over cost is credited to the Comprehensive Income and Expenditure Statement, with a corresponding transfer through the Movement in Reserves Statement to mitigate the impact on the General Fund Balance. This treatment reflects the economic substance of the arrangement rather than its legal form.

After initial recognition, right-of-use assets are carried at cost unless fair value measurement is required for longer-term leases without regular rent reviews or where market conditions are expected to fluctuate significantly. In such cases, the revalued amount reflects only the rights acquired under the lease, not the full value of the underlying asset. Lease liabilities are subsequently measured at amortised cost using the effective interest method and are remeasured when there are changes in lease terms, indices, or options. Any adjustment to the liability is reflected in the carrying amount of the right-of-use asset.

Right-of-use assets are depreciated over the shorter of the lease term or the asset's useful life, and interest on lease liabilities is charged to Financing and Investment Income and Expenditure. Depreciation begins from the commencement date of the lease and continues until the earlier of the end of the lease term or the end of the asset's useful life. This ensures that the cost of using the asset is recognised systematically over the period of benefit.

Leases for assets costing less than £10,000 when new, or with terms under 12 months,

Notes to the Statement of Accounts

are treated as low-value or short-term leases and are expensed directly to the Comprehensive Income and Expenditure Statement. This practical expedient avoids unnecessary complexity for immaterial arrangements.

Where substantially all risks and rewards are transferred to the lessee under a finance lease, the asset is removed from the Balance Sheet and a debtor is recognised for the lease receivable. The gain on disposal is credited to Other Operating Expenditure and treated as a capital receipt where required by statute. Rentals received under finance leases are apportioned between repayment of the debtor and finance income, ensuring that income is recognised over the term of the lease in line with the pattern of economic benefits.

Assets leased under operating leases remain on the Balance Sheet. Rental income is credited to the relevant service line in the Comprehensive Income and Expenditure Statement on a straight-line basis over the lease term, even where this does not match the pattern of cash receipts. Initial direct costs of the lease are added to the carrying amount of the asset and expensed over the lease period. This approach ensures that income and costs are recognised consistently and transparently.

Cash and Cash Equivalents

Cash is represented by cash in hand and bank deposits repayable without penalty on notice of not more than 24 hours. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The County Council treats the following as cash equivalents:

- Instant Access Call Accounts
- Instant Access Short Term Funds
- Deposits with one working day to maturity from date of deposit

Financial Assets

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as at amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial assets are classified into three types:

- Amortised cost
- Financial assets at fair value through Other Comprehensive Income
- Financial assets at fair value through profit or loss

Financial Assets at Amortised cost are initially measured at fair value and carried in the Balance Sheet at their amortised cost. Credits to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement for external interest receivable are based on the carrying amount of the asset, multiplied by the effective interest rate for the instrument. For the majority of the County Council's investments, the effective interest rate is the same as the actual interest receivable in accordance with the loan agreement. Short duration receivables with no stated interest rates (e.g. debtors) are measured at original invoice amount.

The Council recognises expected credit losses on all its financial assets held at amortised cost.

Notes to the Statement of Accounts

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis.

Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

The expected credit loss model also applies to lease receivables. Lifetime losses are recognised for trade receivables (debtors) held by the Council.

The County Council has made a number of loans to clients and other organisations at less than market interest rates or zero rate (referred to in the Code as soft loans). For the County Council there are no material differences between the fair value and the nominal value of such loans and no adjustments are made on initial recognition of these loans.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the carrying value of the asset is reduced through the use of an allowance account and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Any gains and losses arising on the derecognition of assets are credited/debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Financial assets at fair value through Other Comprehensive Income are initially measured and carried in the Balance Sheet at fair value. Where the asset has fixed or determinable payments, credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective interest rate for the instrument. Where there are no fixed or determinable payments, income is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable.

Assets are maintained in the Balance Sheet at fair value. Values are based on:

- Instruments with quoted market prices – the market price
- Other instruments with fixed and determinable payments – discounted cash flow analysis

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs - quoted prices (unadjusted) in active markets for identical assets that the County Council can access at the measurement date
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly
- Level 3 inputs – unobservable inputs for the asset

Changes in fair value are balanced by an entry in the Financial Instruments Adjustment Account and the gain/loss recognised in Other Comprehensive Income and Expenditure (except for impairment losses).

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down through

Notes to the Statement of Accounts

the use of an allowance account and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Any gains and losses arising on the derecognition of assets are credited/debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, along with any accumulated gains/losses recognised in the Financial Instruments Revaluation Reserve.

Financial assets at fair value through profit or loss are initially measured and carried in the Balance Sheet at fair value. Movements in fair value are balanced by posting gains and losses to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement as they arise. Any residual gains and losses arising on derecognition are also credited/debited to the Comprehensive Income and Expenditure Statement. The basis of fair value and the inputs to the measurement techniques is the same as for Financial assets at fair value through Other Comprehensive Income.

The carrying amounts of individual financial assets are separated into their current (short-term) and non-current (long-term) elements for presentation within the Balance Sheet.

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the County Council becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially measured at fair value and are carried at their amortised cost.

Interest is charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement, based on the carrying amount of the liabilities, multiplied by the effective rate of interest for the instruments. This means that:

- The amount included in the Balance Sheet is the outstanding principal repayable, plus accrued interest; and
- Interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Debt Redemption

The County Council complies with legislation to charge a Minimum Revenue Provision (MRP) to the County Fund revenue account for the repayment of debt by making a straight-line charge of the outstanding pre-2008 capital expenditure as at 1 April 2017 calculated over a 50-year period and making provision for repayment of prudential borrowing in equal instalments over the estimated life of the asset for which the borrowing is undertaken. In addition, the provision for repayment of debt includes an amount equal to the amount that is taken to the Balance Sheet to reduce the liabilities in respect of PFI and similar contracts and for the prepayment of lifecycle costs relating to these contracts, and an amount equal to the amount that is taken to the Balance Sheet to reduce liabilities in respect of finance leases.

Provisions

Provisions are made where the County Council has a present obligation (legal or constructive) as a result of a past event that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed annually and are adjusted to reflect the current best estimate against the appropriate directorate in the Comprehensive Income and Expenditure Statement. When payments are eventually made they are charged directly to the provision.

Insurance

The County Council has a policy of self-insurance of claims across its main insurance categories. In accordance with the Code the insurance provision is set aside to cover insurance claims actually received and awaiting resolution that have been advised to the County Council and which it has been decided to be insured internally rather than externally. Subject to identified contingent liabilities there are no significant unfunded risks.

Contingent liabilities

Contingent liabilities are possible obligations arising from past events and whose existence will be confirmed by one or more uncertain events occurring in the future and are not wholly under the County Council's control. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that there will be a transfer of economic benefits or where the obligation cannot be measured with sufficient reliability.

Financial guarantee contracts come under the definition of financial instruments and are initially recognised in the accounts at fair value. This only applies to guarantees entered into after 1 April 2006. Any entered into before that date continue to be recognised as contingent liabilities. If payment under the guarantee becomes probable the liability would be determined in accordance with the requirement for provisions.

Reserves

A reserve, whether capital or revenue, results from events that have allowed monies to be set aside, surpluses, or decisions causing anticipated expenditure to have been postponed or cancelled. These can be spent or earmarked at the discretion of the County Council. Earmarked revenue reserves can be used to set aside available monies for major anticipated capital schemes, for projects or service arrangements that the County Council may wish to carry out, business unit surpluses, service efficiency savings and contingent liabilities where a provision is not required.

Reserves are established and used for different reasons. These include:

- Usable reserves - reserves that can be used at the County Council's discretion to fund either revenue or capital spend.
- Unusable reserves - reserves relating to unrealised gains, such as the Revaluation Reserve, that are not "cash backed" and cannot be used to fund future capital or revenue spending and reserves relating to differences between accounting policy and statutory requirements, such as the Capital Adjustment Account.

Notes to the Statement of Accounts

Earmarked reserves are created by appropriating amounts from the County Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred it is charged to the appropriate directorate. The reserve is then appropriated back into the County Fund Balance in the Movement in Reserves Statement so that there is no net charge against Council Tax for the expenditure.

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020 (SI 2020 No 1212) require DSG deficits to be held in a separate reserve in local authorities' accounts. These regulations, which require the negative balance to be held in an unusable reserve, would have come to an end on 31 March 2026. However, this has now been extended to 31 March 2028.

Group Accounts

The County Council is required to prepare group accounts where it has interests in subsidiaries, associates and/or joint ventures, subject to consideration of materiality. For 2024/25 the County Council did not have any such interests that are considered material and therefore prepared these accounts only as a single entity rather than as group accounts.

The County Council participates in a number of joint operations e.g. pooled budget arrangements with the health sector. The County Council accounts directly, in its single entity accounts, for its part of the assets, liabilities, income, expenditure and cash flows held within or arising from such an arrangement.

There are a number of circumstances where the County Council exercises limited influence, and these are disclosed as related parties. Under these circumstances, transactions with these bodies are charged against the appropriate service in the Comprehensive Income and Expenditure Statement, and balances owed by them or to them are included in debtors and creditors.

From 31 March 2024, Local Enterprise Partnerships (LEPs) ceased to have official recognition and existing LEP functions were transferred to upper-tier local authorities or combined authorities, where they exist. Effective from 1 April 2024, Oxfordshire County Council acquired a controlling interest in OxLEP Ltd—now rebranded as Enterprise Oxfordshire—and became its sole member. This controlling interest potentially qualifies the Council to prepare group accounts in accordance with relevant accounting standards.

For the financial year 2024/25, however, the activities of Enterprise Oxfordshire were not material in the context of Oxfordshire County Council's overall financial statements. Consequently, group accounts have not been prepared. Instead, transactions with Enterprise Oxfordshire are disclosed within Related Parties.

Schools

Under the Code, local authority-maintained schools are considered to be separate entities with the balance of control lying with the Council. The Code requires that the income, expenditure, assets and liabilities of maintained schools be accounted for in the single entity accounts of the Council rather than requiring consolidation in the Group Accounts.

In accordance with the Education Reform Act 1988, the scheme of Local Management of Schools provides for the carry forward of individual school surpluses and deficits. These are held as usable earmarked reserves and are committed to be spent on schools.

Taxation

The County Council is exempt from income tax, corporation tax and from capital gains tax.

Value Added Tax is excluded from both revenue and capital in terms of both income and expenditure except where the County Council is not able to recover VAT on expenditure.

The County Council incurs landfill tax, which is charged on a tonnage basis to the County Council by its waste disposal contractors.

In addition, the County Council incurs stamp duty land tax on the acquisition of property freeholds and leaseholds, climate change levy on its energy bills and insurance premium tax on its insurance costs. Also, the County Council incurs employer's National Insurance contributions based on a percentage of staff salaries.

Where the County Council incurs tax, this cost is charged to directorates in the Comprehensive Income and Expenditure Statement.

Rounding

In preparing the Statement of Accounts all numbers, including totals, have been rounded independently to avoid unacceptable rounding errors. This may mean that some tables do not cross cast. Also, Sometime the notes will have opposite signs to the numbers on the balance sheet, because they show the opposite accounting entry of the transaction.

2. Critical judgements in applying accounting policies

In applying the accounting policies set out in Note 1, the County Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- The County Council has made an assessment of the balance sheet treatment of schools' non-current assets in accordance with IAS 16 Property, Plant and Equipment and IAS 17 Leases. Where assets are owned by the Council and used by maintained schools, the economic benefits and service potential of the asset is considered to be within the control of the Council and therefore the assets are recognised on the Council's balance sheet. Where they are owned by trustees and used by maintained schools (in most cases Voluntary Aided and Voluntary Controlled schools) the Council has assessed that the trustees permit the assets to be used for voluntary education and have not reassigned rights to the assets to the school or governing body. Therefore, the assets are not recognised on the Council's balance sheet. In some cases school sites are part owned by the Council and part by trustees. These assets are treated in line with the above. In accordance with the Schools Standards and Framework Act 1998, ownership of playing fields rests with the Council and these are therefore recognised on the Council's balance sheet (subject to de-minimis valuations). The property valuers (an MRICS qualified County Council employee and Sanderson Weatherall) are informed of changes to the ownership of County Council assets by the County Council's Legal Services department, and any adjustments to the value of assets as a consequence are reflected in the County Council's balance sheet.
- School land and buildings that have transferred to academy trusts under 125 year leases (or where the freehold has transferred) have been written out of the County

Notes to the Statement of Accounts

Council's Balance Sheet based on an assessment in accordance with IAS 17 Leases and IAS 16 Property, Plant and Equipment. Newly constructed School land and buildings that are the subject of short-term lease/license agreements with academy trusts but are expected to transfer under 125 year leases have also been written out of the County Council's Balance Sheet based on this assessment.

- An assessment under IFRIC 12 Service Concession Arrangements concluded that the County Council controls the residential care services provided under the agreement with Oxfordshire Care Partnership (OCP) and the residual value of all but one of the homes at the end of the agreement. This includes Chilterns Court Care Centre which came into operation during 2016/17. Except for the home where the residual value at the end of the contract rests with OCP, the accounting policies for PFI and similar contracts have been applied to the arrangement and the homes are recognised as Property, Plant and Equipment on the Balance Sheet, see note 22. A finance liability has been recognised on the Balance Sheet for the amounts due to be paid under the contract for the new homes built by OCP.
- OXLEP Ltd, trading as Enterprise Oxfordshire operates as a Teckal company, wholly owned by Oxfordshire County Council. On 1 April 2024, the County Council became the sole member of OXLEP Ltd, trading as Enterprise Oxfordshire, a company limited by guarantee (Company Registration Number 09519056). The company oversees the delivery of a comprehensive set of business, skills, investment and trade support services, as well as supporting a variety of strategies backing Oxfordshire's economic potential to be delivered in a sustainable and inclusive manner. Governance is overseen by Oxfordshire County Council's Shareholder Committee, with the Enterprise Oxfordshire Board reporting directly into it. The Oxfordshire Economic Partnership Board, an advisory business board, supports the Cabinet and Shareholder Committee groups with economic strategy and county's business voice engagement.
- The County Council has two pooled budgets with the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board (BOB ICB), the successor body to the Oxfordshire Clinical Commissioning Group (OCCG) and one with Oxford Health NHS Foundation Trust. These pooled budgets operate to deliver better outcomes for people supported by Adult Social Care. Based on an assessment in accordance with IFRS 11.
- Joint Arrangements and FRS 15 Revenue (in relation to principal and agent transactions), the Pooled Budgets are considered to be joint operations. This means that only expenditure and income attributable to the County Council (and equal to the authority's contribution as set out in Note 8) is included in the Council's accounts.
- The BOB ICB is the Accountable Body for Oxfordshire's allocation of the Better Care Fund and will be held to account by NHS England for the appropriate use of the resources locally. The Better Care Fund allocation received by BOB ICB forms part of its contribution to the Better Care Fund Pooled Budget and as such is reported within their accounts.
- In accordance with IAS 32 Financial Instruments: Presentation, the County Council determines the short term/long term categorisation of borrowing by reference to the earliest date on which the lender can require payment. The right to increase the interest rate payable without limit, as in a 'Lender Option, Borrower Option' (LOBO)

loan, is treated as a right to require repayment. Consequently, LOBOs are classified as short-term where option dates are due within 12 months of the balance sheet date.

3. Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the County Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates made.

The items in the County Council's Balance Sheet at 31 March 2025 for which there is significant risk of material adjustment in the forthcoming year are as follows:

Property, Plant and Equipment

The financial year 2024/25 was year one of a three-year revaluation cycle. The County Council's Property, Plant and Equipment assets have been valued on one of the following three bases under IFRS: Fair Value (Existing Use Value (EUV)) – method used to value operational property assets other than specialised property assets. Depreciated Replacement Cost (DRC) – method used to value operational property assets of a specialised nature. Fair Value (Market Value) – method used to value property assets held as investments, surplus or for sale. Buildings are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance of those buildings. Reductions in the budget for repairs and maintenance spending brings into doubt the useful lives assigned to buildings. If the useful life of buildings is reduced, depreciation increases and the carrying amount of the building falls.

Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries and pensions are projected to increase and mortality rates. The assumptions used are set out in the Retirement Benefits Note 17. The County Council uses a firm of actuaries, Hymans Robertson LLP, to provide expert advice about the assumptions to be applied. The discount rate used is based on corporate bond yields that reflect the duration of the employer's liabilities.

The effects on the net pension liability of changes in the discount rate or mortality rates are provided in the sensitivity analysis table in the Retirement Benefits Note 17. The IAS 19 balance sheet is based on financial market values and future market expectation indicators as at 31 March 2025 to comply with the accounting standard.

In accordance with IAS 19, the asset ceiling restricts the amount of a defined benefit pension surplus that can be recognised on the balance sheet. It is defined as the present value of the economic benefits available to the authority, either through refunds from the pension plan or reductions in future contributions. Where applicable, the net defined benefit asset must be limited to this ceiling to ensure that only accessible and realisable surpluses are reported. Oxfordshire County Council has applied the asset ceiling for the first time in the 2024/25 reporting period.

The actuary made assumptions regarding the impact arising from Legal and regulatory uncertainty. No additional allowance has been made within the accounting balance

sheet for the June 2023 legal judgement. This approach has been taken because, at the time of writing, the ruling applies only to the named private sector pension scheme. Although the judgement was subject to appeal, the Court of Appeal dismissed it in July 2024, meaning the original ruling stands. It remains unknown whether Section 37 certificates exist for prior LGPS scheme amendments or whether any remedy would be required for public service schemes, including the LGPS. Furthermore, the potential impact of any such remedy is also unclear. Pension bodies have asked the Department for Work and Pensions (DWP) to consider pragmatic solutions for schemes unable to evidence historic Section 37 confirmation, such as introducing legislation to allow retrospective certification to validate historic changes.

The impact of full GMP indexation has already been included in the calculation of the latest funding valuation results. These results form the basis for the accounting roll-forward calculations, and therefore, the accounting disclosure already reflects this allowance.

The further Lloyds ruling concerning historical transfers is unlikely to significantly affect the pension obligations of a typical employer. Additionally, the individual member data required to assess any potential impact is not readily available. As a result, no allowance has been made for this within the calculations at the Accounting Date.

In June 2023, the UK High Court (*Virgin Media Limited v NTL Pension Trustees II Limited*) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgment is subject to appeal, and the Court of Appeal heard the arguments on 26 and 27 June 2024.

The McCloud judgement has been accounted for in the latest funding valuation results. Since these results are used as the starting point for the accounting roll-forward calculations, the accounting disclosure includes an allowance for this judgement.

An approximate analysis has previously been carried out across LGPS clients to understand the potential impact of implementing a solution to correct the past underpayment of spouses' benefits. Although the remedy remains uncertain, the estimated impact is very small—around 0.1% of obligations for a typical fund. Given the low materiality, the complexity of applying an unknown remedy, and the additional work and fees involved, it is not considered necessary or appropriate to make an adjustment at this time.

There are other court cases, such as *Walker and O'Brien*, which may impact LGPS benefits in the future. However, these are currently understood to be unlikely to result in significant changes to the pension obligations of a typical employer. Therefore, no allowance has been made for potential remedies related to these judgements until further guidance is issued by the relevant LGPS governing bodies.

In December 2024, the UK Government published the English Devolution White Paper, which outlines significant proposals to expand the powers of regional mayors, reorganise local government structures, and provide financial incentives to support local economies. No allowance has been made for the potential impact of these proposals on the Employer within this Results Schedule. Any implications will be assessed and incorporated into future valuations and financial statements as more details become available.

Notes to the Statement of Accounts

4. Adjustments in the Expenditure and Funding Analysis

This note provides a reconciliation of the main adjustments to the net expenditure chargeable to the County Fund to arrive at the amounts reported in the Comprehensive Income and Expenditure Statement.

2023/24				2024/25			
Adjustments for Capital Purposes (Note A)	Net Charge for the Pensions Adjustments (Note B)	Other Differences (Note C)	Total Adjustments	Adjustments for Capital Purposes (Note A)	Net Charge for the Pensions Adjustments (Note B)	Other Differences (Note C)	Total Adjustments
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
6,138	143	-3,211	3,070	Adult Services	8,244	-925	3,160
47,682	-2,811	12,149	57,020	Children's Services	36,940	-6,110	61,292
36,825	0	-1,550	35,275	Environment & Highways	55,574	-406	56,152
-1,726	102	-5,367	-6,991	Economy and Place	-947	2,704	1,335
2,026	-2,087	-307	-368	Fire & Rescue Service and Community Safety	3,586	-3,488	1,229
3,237	31	6,399	9,667	Public Health & Communities	2,136	-240	5,015
6,046	204	353	6,603	Resources and Law & Governance	9,285	-1,130	8,824
45	0	3,145	3,190	Transformation, Digital & Customer Experience	48	-163	-139
1,768	304	2,140	4,212	Other Corporate Costs	36	2,855	1,213
102,041	-4,114	13,751	111,678	Service Costs	114,902	-10,029	138,081
				Other Income and expenditure not charged to services			
-117,543	12,504	-5,331	-110,370		-142,446	11,906	-171,866
-15,502	8,390	8,420	1,308	Surplus (-) or Deficit (+)	-27,544	1,877	-33,785

Note A - Adjustments for Capital Funding and Expenditure Purposes

Service lines have been adjusted to:

- Add in depreciation, amortisation, impairment and revaluation gains/losses and capital expenditure on third party assets which is not recognised on the County Council's balance sheet.
- Remove capital expenditure funded from revenue and finance lease/service concession principal repayments which are not chargeable to service expenditure under generally accepted accounting practice.
- Transfer expenditure and income for the disposal of assets to 'Other income and expenditure not charged to services'.

Other income and expenditure not charged to services has been adjusted to:

- Add in income on disposal of assets and the amounts written off those assets, the movement in the fair value of investment property and capital grants and contributions receivable in the year without conditions or for which conditions were satisfied during the year.
- Remove the statutory charge for capital financing i.e. Minimum Revenue Provision which is not chargeable under generally accepted accounting practices

Note B - Net change for the removal of pension contributions and the addition of pension (IAS19) related expenditure and income

Service lines have been adjusted to remove employer pension contributions made by the County Council in accordance with statute and replace with current service costs, past service costs/curtailments and settlements.

Other income and expenditure not charged to services has been adjusted to add in the net interest on the defined benefit liability and adjust for the fire-fighters pension fund top-up grant.

Note C - Other Differences

Service lines have been adjusted to:

- Add in expenditure for staff holiday entitlement.
- Remove transfers to/from earmarked reserves which did not form part of service expenditure under generally accepted accounting practice.
- Transfer expenditure and income for trading operations and financing costs to, and other corporate service costs/income from, the 'Other income and expenditure not charged to services' line.
- Remove expenditure recharged from one service to another within the County Council

Other income and expenditure not charged to services has been adjusted to:

- Add in the difference between the amount received under statutory regulations for Council Tax and Business Rates notified when the budget was set and the income recognised under generally accepted accounting practices. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.
Remove corporate transfers to/from earmarked reserves which are not recognised as expenditure under generally accepted accounting practice.

Notes to the Statement of Accounts

5. Analysis of income and expenditure by nature

2023/24 £'000	Income and Expenditure	2024/25 £'000
-97,436	Fees, charges and other service income	-103,981
-655,210	Government grants and contributions	-734,910
-20,279	Interest and investment income	-38,869
-514,697	Income from council tax and non-domestic rates	-546,690
-1,427	Proceeds from the disposal of non-current assets	-4,266
-1,289,049	Total Income	-1,428,716
415,674	Employee benefits expenses	435,029
761,302	Other service expenses	853,712
50,714	Depreciation, amortisation, impairments and revaluations	59,219
16,600	Interest payable and similar charges	16,824
13,771	Net interest expense on the pension defined liability	5,975
12,987	Costs from the disposal of non-current assets	20,866
1,271,048	Total Expenditure	1,391,625
-18,001	Surplus (-) or Deficit (+) on the Provision of Services	-37,091

A segmental analysis of fees, charges and other service income is shown in the following table.

2023/24 £'000	Fees and Charges by Directorate	2024/25 £'000
-56,414	Adult Services	-61,912
-13,713	Children's Services	-13,344
-18,082	Environment & Highways	-19,027
-1,243	Economy and Place	-1,558
-142	Fire & Rescue Service and Community Safety	-158
-651	Public Health & Communities	-786
-6,561	Resources and Law & Governance	-6,379
-94	Transformation, Digital & Customer Experience	-119
-534	Corporate	-698
-97,434	Total Fees and Charges	-103,981

Notes to the Statement of Accounts

6. Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the County Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the County Council to meet future capital and revenue expenditure.

2023/24					2024/25					
County Fund Balance	Ear-marked Reserves	Capital Receipts Unapplied	Capital Grants & Contbns Unapplied	Unusable Reserves		County Fund Balance	Ear-marked Reserves	Capital Receipts Unapplied	Capital Grants & Contbns Unapplied	Unusable Reserves
£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
					Adjustments to Revenue Resources					
8,390				-8,390	Pension Costs transferred to (or from) the Pensions Reserve	1,877				-1,877
-2				2	Financial instruments transferred to the Financial Instrument Adjustment Account	-2				2
-2,448				2,448	Gain or Loss on the valuation of pooled investment funds	-113				113
5,817				-5,817	Council Tax and Business Rates transferred to the Collection Fund Adjustment Account	1,795				-1,795
188				-188	Holiday pay transferred to the Accumulated Balances Account	9				-9
119,820				-119,820	Reversal of entries included in the Surplus of Deficit on the Provision of Services in relation to capital expenditure to the Capital Adjustment Account	141,487				-141,487
					Adjustments between Revenue and Capital Resources					
-1,403		1,403			Transfer of non-current asset sale proceeds to the Capital Receipts Unapplied Reserve	-4,254		4,254		0
-14,238				14,238	Statutory provision for the repayment of debt transferred to the Capital Adjustment Account	-16,758				16,758
-2,216				2,216	Capital expenditure financed from revenue balances transferred to the Capital Adjustment Account	-3,334				3,334
-71,007			-42,873	113,880	Capital grants and contributions applied	-119,614			-63,170	182,784
-46,459			46,459		Capital gains and contributions receivable not applied to finance capital expenditure	-25,071			25,071	0
-3,558	0	1,403	3,586	-1,431	Total	-23,978	0	4,254	-38,099	57,823

Notes to the Statement of Accounts

7. Dedicated Schools Grant (DSG)

The County Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education. An element of DSG is recouped by the Department to fund academy schools in the County Council's area. DSG is ringfenced and can only be applied to meet expenditure properly included in the schools Budget, as defined in the School and Early Years Finance (England) Regulations 2023. The school Budget includes elements for a range of educational services provided on an authority-wide basis and for the Individual Schools Budget (ISB), which is divided into a budget share for each maintained school. DSG income and expenditure is part of the Children's Services Directorate. Details of the deployment of DSG receivable for 2024/25 (with comparators) are as follows:

2023/24			2024/25		
Central Expenditure	ISB	Total	Central Expenditure	ISB	Total
£'000	£'000	£'000	£'000	£'000	£'000
		629,312			703,724
		-363,332			-399,530
		265,980			304,194
		0			0
		0			0
90,927	175,053	265,981	102,973	201,221	304,194
331	740	1,071	0	-866	-866
91,258	175,792	267,053	102,973	200,355	303,328
-107,876		-107,876	-139,673		-139,673
	-172,589	-172,589		-199,314	-199,314
1,200	0	1,200	1,200	0	1,200
-106,676	-172,589	-279,265	-138,473	-199,314	-337,787
-15,418	3,204	-12,212	-35,500	1,041	-34,459
		-33,611			-45,824
		-45,824			-80,283

The statutory reporting requirements for the 2024/25 accounts require the closing deficit balance on High Needs Dedicated Schools Grant to be held within the Dedicated Schools Grant Adjustment Account. The existing statutory override relating to High Needs that supports this accounting treatment was due to end on 31 March 2026 but the Government has now extended this until 31 March 2028. While the council is continuing to take action to manage the deficit through the Deficit Management Plan, it is continuing to grow. Further information on how High Needs deficits will be managed in future is expected later in the year along with a White Paper on SEND reform.

Notes to the Statement of Accounts

8. Partnership schemes under section 75 of the National Health Service Act 2006

Oxfordshire County Council, Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board (formerly Oxfordshire Clinical Commissioning Group) and Oxford Health NHS Foundation Trust are working together to improve services and support for the people of Oxfordshire. Under Section 75 of the National Health Services Act 2006, the Council has existing and long-standing agreements to pool resources and deliver shared objectives. The overarching intention is that working together across service areas will lead to better outcomes for service users, more effective decision making, and better use of pooled resources.

Pooled Budget	Age Well Pool		Live Well Pool		Mental Health Provider Pool	
Partner	Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board (BOB ICB)		Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board (BOB ICB)		Oxford Health NHS Foundation Trust	
Purpose	Commissions services for older people including care home placements, services supporting community resilience and hospital avoidance (eg. care at home and day time services), prevention and carer support.		Commissions services for adults of working age with a learning disability, physical disability or mental health assessed needs along with support for people with an acquired brain injury. Services include supported living, residential care placements and hospital avoidance. Some service users receive direct payments and organise their own care.		Provides integrated health and social care support to adults with Mental Health needs.	
Lead Partner	Oxfordshire County Council		Oxfordshire County Council		Oxford Health NHS Foundation Trust	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000
Total Gross Expenditure	285,131	295,127	301,745	335,725	12,374	12,190
Funded by:						
Council Contribution *	-89,072	-92,554	-129,635	-140,002	-1,802	-1,802
Partner Contribution	-98,110	-98,090	-162,458	-186,860	-10,572	-10,388
Service User Contributions	-44,979	-49,566	-6,604	-6,803		
Better Care Fund	-49,339	-52,132	0	0		
Other External Contribution	0	0	-3,041	-2,060		
Other Income **	-3,631	-2,785	-7	0		
Total Gross Income	-285,131	-295,127	-301,745	-335,725	-12,374	-12,190

*Note that the Authority's Contribution to the Live Well Pooled Budget 2024/25 includes £1,802k (the same as 2023/24) which is passported to the Mental Health Provider Pool. The Authority does not make any other contributions to the Mental Health Provider Pool.

9. Members' Allowances

Under the Council's constitution, councillors are entitled to receive annual allowances for their role. These include basic allowance payable to all councillors and special responsibility allowances where councillors undertake specific roles such as chair of a committee.

Members' Allowances	2023/24	2024/25
	£'000	£'000
Allowances	1,209	1,253
Travel and Subsistence	14	20
Total	1,223	1,273

10. Audit Fee

The County Council's external auditors are Ernst & Young LLP. The following fees were incurred relating to external audit and grant certification work.

Audit and Inspection Fees	2023/24	2024/25
	£'000	£'000
Code of Practice Audit Work	292	318
Other Fees for Prior Years	177	93
Certification of grant claims and Returns	15	4
Total	484	415

11. Senior Officers' Remuneration

The Accounts and Audit Regulations 2015 require disclosure of remuneration for senior staff. Remuneration for these purposes includes all sums paid to or receivable by an employee including expense allowances chargeable to tax and non-taxable termination payments including enhancement, redundancy and pay in lieu of notice.

Two sets of disclosures are required. Firstly, the number of employees whose total remuneration (excluding employer pension contributions) exceeded £50,000. Secondly, individual remuneration details (including employer pension contributions) for each senior employee, as defined by the regulations, whose salary is more than £50,000 per year (pro- rata for part-time staff). Senior employees whose salary is over £150,000 are disclosed by name, the remaining senior employees are disclosed by post title.

The number of employees whose remuneration (excluding employer pension contributions) exceeded £50,000 is set out in the following table. In accordance with the 2015 regulations, the figures exclude senior employees whose remuneration is disclosed separately.

Senior employees for these purposes are the statutory roles plus senior officer reporting directly to the chief executive.

Notes to the Statement of Accounts

Band £	Number of Employees					
	2023/24			2024/25		
	School	Non School	Total	School	Non School	Total
50,000-54,999	82	288	370	116	275	391
55,000-59,999	33	187	220	51	198	249
60,000-64,999	32	89	121	29	146	175
65,000-69,999	25	55	80	28	66	94
70,000-74,999	25	39	64	23	35	58
75,000-79,999	14	22	36	22	34	56
80,000-84,999	5	13	18	14	12	26
85,000-89,999	7	9	16	7	9	16
90,000-94,999	2	17	19	6	15	21
95,000-99,999	4	5	9	3	5	8
100,000-104,999	1	2	3	4	1	5
105,000-109,999	0	2	2	1	4	5
110,000-114,999	0	3	3	0	2	2
115,000-119,999	1	6	7	0	6	6
120,000-124,999	0	1	1	0	4	4
125,000-129,999	1	1	2	0	5	5
130,000-134,999	0	0	0	0	2	2
135,000-139,999	0	1	1	0	1	1
140,000-144,999	0	4	4	0	2	2
145,000-149,999	0	0	0	0	4	4
150,000-154,999	0	1	1	0	2	2
155,000-159,999	0	0	0	0	0	0
160,000-164,999	0	2	2	0	1	1
165,000-169,999	0	1	1	0	0	0
170,000-174,999	0	1	1	0	0	0
175,000-179,999	0	0	0	0	2	2
180,000-184,999	0	0	0	0	1	1
185,000-189,999	0	0	0	0	0	0
190,000-194,999	0	0	0	0	0	0
195,000-199,999	0	0	0	0	0	0
200,000-204,999	0	0	0	0	0	0
205,000-209,999	0	0	0	0	0	0
210,000-214,999	0	0	0	0	0	0
215,000-219,999	0	0	0	0	0	0
220,000-224,999	0	0	0	0	0	0
225,000-229,999	0	0	0	0	0	0
230,000-234,999	0	1	1	0	0	0
235,000-239,999	0	0	0	0	1	1
240,000-244,999	0	0	0	0	0	0
250,000-249,999	0	0	0	0	0	0
Total	232	750	982	304	833	1,137

Notes to the Statement of Accounts

2024/25							
Post Holder Information	Salary (Including Fees & Allowances)	Expense Allowances and Other Emoluments	Compensation for Loss of Employment	Total Remuneration Excluding Pension Contributions	Employers Pension Contribution	Total Remuneration Including Pension Contributions	
	£	£	£	£	£	£	
Chief Executive - Martin Reeves	238,697	0	0	238,697	47,501	286,198	
Executive Director of People and Transformation (Deputy Chief Executive) - Stephen Chandler	177,325	0	0	177,325	35,288	212,613	
Executive Director of Resources and Section 151 Officer (Deputy Chief Executive) - Lorna Baxter	177,325	0	0	177,325	35,288	212,613	
Director of Adult Social Care – Karen Fuller*	147,729	0	0	147,729	29,398	177,127	
Director of Children's Services - Lisa Lyons*	147,729	0	0	147,729	29,398	177,127	
Director of Public Health and Communities - Ansaf Azhar*	141,774	0	0	141,774	19,647	161,421	
Director of Environment and Highways - Paul Fermer*	136,005	0	0	136,005	27,064	163,069	
Director of Economy and Place - Robin Rogers*	130,546	0	0	130,546	25,979	156,525	
Director of Law and Governance and Monitoring Officer – Anita Bradley*	147,400	0	0	147,400	29,333	176,733	
Chief Fire Officer and Director of Community Safety – Rob MacDougall*	161,041	0	0	161,041	60,551	221,592	
Corporate Director for Environment and Place - Bill Cotton**	43,523	0	103,369	146,892	8,661	155,553	
Total	1,649,094	0	103,369	1,752,463	348,108	2,100,571	

*Karen Fuller started this post on 1 June 2025, previously Corporate Director of Adult and Housing. Reported salary and pension for the entire 2024/2025.

*Lisa Lyons started this post on 1 June 2025, previously Director of Children's Services. Reported salary and pension for the entire 2024/2025.

*Ansaf Azhar started this post on 1 June 2025, previously Director for Public Health. Reported salary and pension for the entire 2024/2025.

*Paul Fermer started this post on 1 July 2025, previously Director of Highways and Operations. Reported salary and pension for the entire 2024/2025.

*Robin Rogers started this post on 1 August 2024, previously Programme Director Partnerships and Delivery. Reported salary and pension for the entire 2024/2025

*Anita Bradley started this post on 1 June 2025, previously Director of Law and Governance. Reported salary and pension for the entire 2024/2025

*Rob MacDougall started this post on 1 June 2025, previously Chief Fire Officer. Reported salary and pension for the entire 2024/2025.

**Bill Cotton left Oxfordshire County Council on 06 July 2024

Notes to the Statement of Accounts

2023/24						
Post Holder Information	Salary (Including Fees & Allowances)	Expense Allowances and Other Emoluments	Compensation for Loss of Employment	Total Remuneration Excluding Pension Contributions	Employers Pension Contribution	Total Remuneration Including Pension Contributions
	£	£	£	£	£	£
Chief Executive - Martin Reeves	232,875	0	0	232,875	46,342	279,217
Executive Director of People - Stephen Chandler	172,969	0	0	172,969	34,421	207,390
Executive Director of Resources and Section 151 Officer - Lorna Baxter	160,888	0	0	160,888	32,017	192,905
Corporate Director for Customers and Organisational Development and Resources - Claire Taylor*	22,734	0	0	22,734	4,524	27,258
Corporate Director for Adult Social Care - Karen Fuller	144,124	0	0	144,124	28,681	172,805
Director for Childrens Services - Kevin Gordon**	26,131	0	67,362	93,493	5,200	98,693
Director for Childrens Services - Lisa Lyons***	33,319	0	0	33,319	6,630	39,949
Corporate Director for Environment and Place - Bill Cotton	161,181	0	0	161,181	32,075	193,256
Director for Public Health - Ansaf Azhar	141,181	0	0	141,181	20,302	161,483
Director of Law and Governance - Anita Bradley	141,181	0	0	141,181	28,095	169,276
Chief Fire Officer - Rob MacDougall	166,108	0	0	166,108	47,839	213,947
Total	1,402,691	0	67,362	1,470,053	286,126	1,756,179

*Claire Taylor left post and Oxfordshire County Council on 31 May 2023

**Kevin Gorden left post and Oxfordshire County Council on 27 May 2023

***Lisa Lyons started post on 8th January 2024

Notes to the Statement of Accounts

12. Exit Packages

The number of exit packages agreed in the year and the cost of those packages is given in the tables below. Exit packages include compulsory and voluntary redundancy costs, pension contributions in respect of added years and costs of early retirements without actuarial reduction in benefits, ex-gratia payments and other departure costs. Ill-health retirements are excluded because they do not meet the Code's definition of termination benefits. The bandings in the tables include exit packages in the year they were individually agreed. The bandings are based on HR records for leavers in the year adjusted for accruals. Where there is a difference between the accrued amount and the actual payment in the following year this is shown as a reconciling adjustment at the foot of the table – in some instances the actual payment was higher than the accrued amount and in other instances the actual payment was lower. The bandings exclude exit packages provided for as part of redundancy provision in the year the provision was created – the individual exit packages charged against redundancy provisions are included in the bandings in the year of departure.

Exit packages Band (£)	2023/24					2024/25						
	Compulsory No.	£'000	Other No.	£'000	Total No.	Compulsory No.	£'000	Other No.	£'000	Total No.	£'000	
0 - 19,999	11	79	28	220	39	299	21	158	16	146	37	304
20,000 - 39,999	5	122	5	127	10	249	6	196	5	126	11	322
40,000 - 59,999	0	0	0	0	0	0	3	143	3	162	6	305
60,000 - 79,999	0	0	2	137	2	137	3	205	0	0	3	205
80,000 - 99,999	0	0	0	0	0	0	2	171	0	0	2	171
100,000 - 149,999	0	0	0	0	0	0	3	357	0	0	3	357
150,000 - 199,999	0	0	0	0	0	0	2	357	0	0	2	357
200,000 - 249,999	0	0	0	0	0	0	0	0	0	0	0	0
250,000 - 299,999	0	0	0	0	0	0	0	0	0	0	0	0
300,000 - 349,999	0	0	0	0	0	0	2	692	0	0	2	692
350,000 - 399,999	0	0	0	0	0	0	1	388	0	0	1	388
400,000 - 449,999	0	0	0	0	0	0	0	0	0	0	0	0
450,000 - 499,999	0	0	0	0	0	0	0	0	0	0	0	0
500,000 - 549,999	0	0	0	0	0	0	1	531	0	0	1	531
550,000 - 599,999	0	0	0	0	0	0	0	0	0	0	0	0
600,000 - 649,999	0	0	0	0	0	0	1	613	0	0	1	613
Total	16	201	35	484	51	685	45	3,811	24	434	69	4,245
Add new provisions created						0						0
Less amounts provided for in previous year						0						0
Add unused amount of previous year's provision						0						0
Other termination benefits						0						103
Adjust for differences between payments and accruals						0						2
Total cost of exit packages in the Comprehensive Income and Expenditure Statement						685						4,350

Notes to the Statement of Accounts

13. Leases

From time to time, the County Council acquires assets under operating leases. The minimum lease payments and contingent rents charged, and sublease payments received for the year, together with future commitments and future sublease payments receivable are set out below, together with comparative figures for 2023/24.

County Council as Lessee	2023/24			2024/25		
	Plant, vehicles & equipment £'000	Land and buildings £'000	Total £'000	Plant, vehicles & equipment £'000	Land and buildings £'000	Total £'000
Minimum lease payments charged in year	1,603	1,979	3,582	2,800	679	3,479
Contingent rents charged in year	130	182	312	278	55	333
Sublease payments received in year	0	532	532	0	532	532
Future minimum lease payments:						
Within 1 year	1,017	1,192	2,209	1,074	790	1,864
Within 2nd - 5th years	162	2,947	3,109	1,696	1,241	2,937
6th year and beyond	2	1,207	1,209	215	559	774
Total commitments	1,181	5,346	6,527	2,985	2,591	5,576
Total future sublease payments receivable	0	-517	-517	0	-8	-8

The County Council leases out property under operating leases for the provision of accommodation for services, such as Homes for Older People, pre-schools and waste re-cycling centres. Contingent rents include backdated rent increases.

County Council as Lessor	2023/24			2024/25		
	Plant, vehicles & equipment £'000	Land and buildings £'000	Total £'000	Plant, vehicles & equipment £'000	Land and buildings £'000	Total £'000
Minimum lease payments receivable in year	0	1,732	1,732	0	1,575	1,575
Contingent rents receivable in year	0	1,277	1,277	0	1,236	1,236
Future minimum lease payments receivable:						
Within 1 year	0	1,361	1,361	0	1,329	1,329
Within 2nd - 5th years	0	4,736	4,736	0	4,470	4,470
6th year and beyond	0	31,510	31,510	0	30,459	30,459
Total Receivable	0	37,607	37,607	0	36,258	36,258

Right of Use Assets

In 2024/25, the Council applied IFRS 16 Leases as required by the Code of Practice for Local Authority Accounting in the United Kingdom with regard to leases where the Council is the lessee. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (ie without recognising the leased property as an asset and future rents as a liability) a right-of- use asset and a lease liability are to be brought on to the Balance Sheet at 1 April 2024. Leases for items of low value and leases that expired on or before 31 March 2025 are exempt from the new arrangements.

IFRS 16 has been applied retrospectively, but with the cumulative effect recognised at 1 April 2024. This means that right-of-use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024/25 and not by adjusting prior year figures, however, some practical considerations have been applied as required or permitted by the Code:

- Lease liabilities are measured at the present value of the remaining lease payments at 1 April 2024, discounted by the Council's incremental borrowing rate at that date.
- A single discount rate has been applied to portfolios of leases with reasonably similar characteristics
- The weighted average of the incremental borrowing rates used to discount liabilities was 4.4%
- Right-of-use assets are measured at the amount of the lease liability, adjusted for any prepaid or accrued lease payments that were in the balance sheet on 31 March 2024 - any initial direct costs have been excluded
- All leases were assessed as to whether they were in existence at 31 March 2024, so right-of-use assets have not been subject to an impairment review - carrying amounts have been reduced by any provisions for onerous contracts that were in the 31 March 2024 Balance Sheet.

This has resulted in the following additions to the Balance Sheet at 31 March 2025:

- £14.544m Property, plant and equipment – land and buildings (right-of-use assets)
- £3.725m Non-current creditors (lease liabilities)
- £0.683m Current creditors (lease liabilities)
- £10.134m Revaluation Reserve

The newly recognised lease liabilities of £4.409m compare with the operating lease commitments of £6.241m at 31 March 2024 disclosed in this note in the 2023/24 financial statements. When these are discounted to their present value of £4.409m (using the incremental borrowing rate of 4.4% at 1 April 2024). This is explained by the fact that the lease liabilities exclude amounts for leases of low value items and leases that will expire before 31 March 2025.

Notes to the Statement of Accounts

This table shows the change in the value of right-of-use assets held under leases by the County Council for the restatement of opening balance 1 April 2024 for Plant, Property and Equipment.

2024/25	Other Land & Buildings	Vehicles, Plant, Furniture & Equipment	Total
	£'000	£'000	£'000
Cost or valuation as at 31 March 2024	531,710	38,680	570,390
Recognition of right of use assets	12,710	0	12,710
Adjusted balance as at 1 April 2024	544,420	38,680	583,100
Depreciation and Impairment as at 31 March 2024	-14,052	-24,527	-38,579
Recognition of right of use assets	0	0	-1,039
Depreciation and impairment as at 1 April 2024	-14,052	-24,527	-38,579
Net book Value at 31 March 2025	530,368	14,153	544,521

This table shows the changes in the value of right-of-use assets held under leases by the County Council.

2024/25	Other Land & Buildings	Vehicles, Plant, Furniture & Equipment	Total
Right of Use Assets	£'000	£'000	£'000
Cost or valuation as at 31 March	0	0	0
Recognition of right of use assets	12,710	0	12,710
Adjusted balance as at 1 April	12,710	0	12,710
Revaluation increases recognised in the Revaluation Reserve	1,833	0	1,833
Cost or valuation as at 31 March	14,543	0	14,543
Depreciation and Impairment as at 1 April	0	0	0
Depreciation charge	-1,039	0	-1,039
Depreciation and impairment written out to the Revaluation Reserve	1,039	0	1,039
Depreciation and impairment as at 31 March	0	0	0
Net book Value at 31 March	14,543	0	14,543

The Council has applied International Financial Reporting Standard 16 Leases (IFRS 16) for the first time in 2024/25, in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25. This standard extends the accounting treatment previously applied to finance leases to all leases, except those relating to low-value items or with a term of less than one year. As a result, assets representing the Council's rights to use leased items over their respective terms are recognised on the Balance Sheet, alongside corresponding liabilities for the obligation to pay rents, discounted to present value. Further details on these liabilities are provided in the following sections.

Notes to the Statement of Accounts

The following table shows the impact of restating the opening lease liabilities as at 1 April 2024, on transition to IFRS 16:

2024/25	Other Land & Buildings £'000	Vehicles, Plant, Furniture & Equipment £'000	Total £'000
Balance as at 31 March 2024	0	0	0
Recognition of right of use lease liabilities	4,899	0	4,899
Restated balance as at 1 April 2024	4,899	0	4,899

This table shows the change in lease liabilities for the value of right-of-use assets held under leases by the County Council:

Lease Liabilities	2024/25 £000
Balance at 1 April	4,899
Additions	0
Principal repaid in year	-683
Interest charge	194
Balance at 31 March	4,409

The lease liabilities at 31 March 2025 are as follows:

	Amount at 1 April 2024		Amount at 31 March 2025	
	Short Term	Long Term	Short Term	Long Term
	£000	£000	£000	£000
Other Land & Buildings	683	4,216	683	3,726
Vehicles, Plant, Furniture & Equipment	0	0	0	0
Service Concession Arrangement	836	14,161	944	13,217
Total	1,519	18,377	1,519	1,627

The Property, Plant & Equipment lease liabilities are due to be settled over the following time bands (measured at the discounted and undiscounted amounts of expected cash payments):

	Amount at 1 April 2024		Amount at 31 March 2025	
	Lease Liabilities Discounted	Lease Liabilities Undiscounted	Lease Liabilities Discounted	Lease Liabilities Undiscounted
	£000	£000	£000	£000
Less than 1 year	683	683	683	683
Between 1 and 5 years	2,234	2,686	2,009	2,511
More than 5 years	1,981	3,555	1,717	3,047
Total	4,898	6,924	4,409	6,241

Notes to the Statement of Accounts

14. Other Operating Expenditure

Other Operating Expenditure comprises the gain or loss on the derecognition of non-current assets. The gain or loss is the amount by which the disposal proceeds (if any) are more (gain) or less (loss) than the amount by which the non-current asset is held on the balance sheet together with the costs of disposal. To comply with statutory/proper practices, the entry is reversed in the Movement in Reserves Statement leaving the cost of disposals chargeable to revenue net of other receipts as a charge against the County Fund. Regulations permit disposal costs of up to 4% of the sale proceeds to be charged against the capital receipt.

	2023/24	2024/25
Other Operating Expenditure	£'000	£'000
Capital Receipts	-1,437	-4,266
Disposal costs charged against capital receipts	33	12
Net Capital Receipts	-1,404	-4,254
Other Receipts	-23	-12
Total Receipts	-1,427	-4,266
Carrying value of non-current assets derecognised	12,986	20,866
Disposal costs charged to the General Fund	0	0
Total Disposal costs	12,986	20,866
Other Operating Expenditure	11,559	16,600
Adjustments between accounting basis and funding basis	-11,582	-16,613
Net Charge to the General Fund	-23	-13

15. Financing and Investment Income and Expenditure

A breakdown of the items within the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement is as follows:

	2023/24	2024/25
Financing and Investment Income and Expenditure	£'000	£'000
Interest payable and similar charges	15,633	15,693
Gain or Loss on the valuation of pooled investment funds	-2,448	-113
Interest receivable and similar income	-16,863	-37,626
Income and Expenditure in relation to investment properties and change in their fair value	116	-244
Net pensions interest expense	13,771	5,975
Net fire-fighters Pension Fund Top-Up Grant	-1,267	5,931
Financing and Investment Income and Expenditure	8,942	-10,384
Adjustments between accounting basis and funding basis	-10,173	-11,550
Net Charge to the General Fund	-1,231	-21,934

17. Retirement Benefits

As part of the terms and conditions of employment of its employees, the County Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the County Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The County Council participates in four pension schemes. Only a small number of Public Health staff that transferred from the NHS when the service became a County Council function in April 2013 participate in the NHS Pension Scheme and this is therefore excluded from the disclosures below.

The Local Government Pension Scheme (LGPS)

This is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 (as amended) and provides benefits based on final salary and length of service on retirement (for benefits accrued up to 31 March 2024) and career average revalued salary (for benefits accrued from 1 April 2024).

The County Council is the Administering Authority for the Fund. The Pension Fund Committee oversees the management of the Fund whilst the day-to-day fund administration is undertaken by teams within the County Council. Where appropriate some functions are delegated to the Fund's professional advisers. The accounts of the Oxfordshire Local Government Pension Fund are included after the Notes to Accounts.

As Administering Authority to the Fund, the County Council, after consultation with the Fund Actuary (Hymans Robertson LLP) and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Statement of Investment Principles. These are amended when appropriate based on the Fund's performance and funding.

The LGPS is a funded scheme, meaning that the County Council and employees pay contributions into a Fund, calculated at a level intended to balance the pension liabilities with investment assets. The County Council may also grant additional benefits to LGPS members on retirement under the Discretionary Payment Regulations which are not paid from the Fund – these are referred to as LGPS unfunded benefits below.

Employer contributions are set every 3 years as a result of the actuarial valuation of the Fund required by regulations. The actuarial valuation at 31 March 2025 set the contribution rates for the period 1 April 2024 to 31 March 2027. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions. The total contributions expected to be made by the County Council to the Local Government Pension Scheme (LGPS) in 2024/25 are £40.983m for funded benefits (£38.496m was expected for 2023/24).

The pensions liability has increased from March 2024 (£129.642m) to March 2025 (£266.529m). This is partly due to the difference between the accrual of new benefits and benefits paid out during the year for scheme participants.

The County Council currently participates in the Oxfordshire County Council pool with various other employers with admissions agreements in order to share experience of risks they are exposed to in the Fund. At the 2025 valuation, the deficit on the whole pool was calculated and allocated to each employer, along with the costs of future benefits of the combined membership of the pool, such that all employers within the pool shared the same overall contribution rate. The next re-allocation will be carried out at the 2028 valuation, should the employer remain in the pool.

Should the County Council withdraw from the Fund, a cessation valuation would be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which would determine the termination contribution due by the County Council on a set of assumptions deemed appropriate by the Fund Actuary.

Curtailed costs arise as a result of the payment of unreduced pensions on early retirement. The capitalised cost of the additional benefits relative to those reserved for under IAS 19 is £0.302m for 2024/25 (£0.064m for 2023/24). As a result of some members of the Oxfordshire Pension Fund transferring to/from another employer over the year, liabilities have been settled at a cost different to the amount reserved for under IAS19. The capitalised gain of this settlement for 2024/25 is £1.060m (£1.060m 2023/24).

The Fire-Fighters Pension Schemes

There are five separate schemes relating to Fire-Fighters pensions – the 1992 scheme, the 2006 scheme, the 2015 scheme, the Retained Modified scheme and the fire-fighters compensation scheme for injury benefits and ill health retirements. Each of these are defined benefit statutory schemes administered in accordance with the Fire-Fighters' Pension Scheme Regulations 2014 and Fire Pension Orders 1992 and 2006 and provide benefits based on final salary and length of service on retirement, other than the 2015 scheme which provides benefits accrued from 1 April 2024 based on career average revalued salaries.

The County Council is the Administering Authority for each of the schemes. The day-to-day administration is undertaken by teams within the County Council. Where appropriate some functions are delegated to the schemes' professional advisers.

The 1992, 2006, 2015 and the Retained Modified schemes are unfunded schemes, meaning that there are no investment assets built up to meet the pensions liabilities and cash has to be generated to meet actual pension payments as they fall due. The County Council and employees pay contributions into a fund account and where these are not sufficient to meet pension payments for the year, the deficit is met by a Central Government top-up grant. Any surplus in the pension fund in the year is paid back to Central Government. Employer contributions are set every four years as a result of the combined actuarial valuation of the fire-fighters' pension schemes required by the Home Office on behalf of the Secretary of State. The last completed actuarial valuation was at 31 March 2025 and set contributions for the period from 1 April 2025 to 31 March 2028.

The fire-fighters' compensation scheme injury benefits and ill health retirements are paid on a pay as you go basis. There are no assets held to back the liabilities of the scheme.

For ease of presentation the figures for all the fire-fighters schemes have been combined within the tables in this note. Most of the firefighters defined benefits liabilities relate to the 2015 scheme.

The total of contributions (including government top-up grant) and injury/ill health retirement benefit payments expected to be made by the County Council in 2024/25 is £12.7m (£7.4m in 2023/24).

The Teachers' Pension Scheme

This is a defined benefit scheme administered in accordance with the Teachers' Pensions Regulations 2014 and provides benefits based on final salary and length of service (for benefits accrued up to 31 March 2015) and career average revalued salary (for benefits accrued from 1 April 2015). The Scheme is administered by Capita on behalf of the Department for Education. The Scheme is an unfunded pension scheme, in which payments from the Scheme are funded by contributions from current employees and employers with the difference between these

contributions and Scheme expenditure financed by the Exchequer. The County Council contributes towards the costs of the scheme by making contributions based on a percentage of members' pensionable salaries as set by the Secretary of State for Education, taking advice from the Scheme's actuary. The total expected payments to beneficiaries for 2024/25 is £6.168m (£6.213m 2023/24).

The Teachers' Pension Scheme is a defined benefit scheme, but because of the way the scheme is centrally managed the County Council is unable to identify its share of the underlying assets and liabilities of the scheme and it is therefore classified as a defined contribution scheme for accounting purposes. Charges are included in the Surplus or Deficit in the Provision of Services but there are no liabilities to disclose in the Balance Sheet with the exception of all pension payments relating to added years which the County Council has awarded to teachers under the Discretionary Payment Regulations. As the County Council is responsible for funding these added years payments on a pay as you go basis they are treated as a defined benefit scheme.

Risk

The County Council is exposed to a number of risks from participating in the pension schemes accounted for as defined benefit schemes outlined above. Risks common to all of the schemes are:

Interest rate risk – the liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. Given the volatile nature of market yields the yield on high quality corporate bonds could fall leading to an increase in the liabilities.

Inflation risk – the benefits are linked to inflation and so increased costs may emerge if inflation is higher than expected.

Longevity risk – in the event that the members live longer than assumed more benefits will be paid out than expected. There are also other demographic risks.

As a funded scheme, the LGPS gives exposure to other additional risks:

Investment risk – The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.

Interest rate risk – The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Fund holds assets such as equities the value of assets and liabilities may not move in the same way.

Inflation risk – deficits may emerge to the extent that the assets are not linked to inflation.

In addition, as many unrelated employers participate in the Oxfordshire County Council Pension Fund, there is an 'orphan liability risk' where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the County Council, for example higher than expected investment returns or employers leaving the funds with excess assets which would eventually get inherited by the remaining employers, market yields may rise or inflation be less than expected reducing the value of the liabilities and ongoing cost of benefit accrual. The cost of retirement benefits arising from defined benefit schemes are recognised in the Cost of Services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge the County Council is required to make against the County Fund (and hence Council Tax) is based on cash payable in the year so the real cost of pension benefits is reversed out in the Movement in Reserves Statement. The following table sets out the transactions that have been made in the accounts.

Notes to the Statement of Accounts

Pension Fund Comprehensive Income and Expenditure Statement	Local Government Pension Scheme & Teacher's Added Years		Fire Fighters' Pension Schemes		Total	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000
Cost of Services						
Current Service Cost	40,642	38,305	2,000	1,700	42,642	40,005
Past Service Costs	22	2,473	0	0	22	2,473
(Gain) / Loss from settlements	-1,060	-1,060	0	0	-1,060	-1,060
Administration Expenses	1,342	1,442	0	0	1,342	1,442
Financing and Investment Income & Expenditure						
Net Interest Expense	3,771	-4,125	10,000	10,100	13,771	5,975
Government Top-Up Grant / Surplus payable to Government	0	0	-1,267	5,931	-1,267	5,931
Surplus / Deficit on the Provision of Services	44,717	37,035	10,733	17,731	55,450	54,766
Other Comprehensive Income and Expenditure						
Return on plan assets	-115,871	37,084	0	0	-115,871	37,084
Actuarial gains (-) and losses (+) from demographic assumptions	-10,999	-2,798	-100	-3,200	-11,099	-5,998
Actuarial gains (-) and losses (+) from financial assumptions	-89,100	-241,253	-5,800	-32,400	-94,900	-273,653
Experience gains (-) and losses (+)	50,233	-15,812	0	2,200	50,233	-13,612
Asset Ceiling	0	398,674	0	0	0	398,674
Other actuarial gains (-) and losses (+)	3,052	417	-746	-7,902	2,306	-7,485
Total retirement benefits charged to the Comprehensive Income and Expenditure Statement	-117,968	213,347	4,087	-23,571	-113,881	189,776
Movement in Reserves Statement						
Reversal of net charges made to the Surplus/Deficit on the Provision of Services for retirement benefits in accordance with the code	-1,744	10,825	-6,646	-12,702	-8,390	-1,877
Actual amount charged against the General Fund Balance for pensions in the year	42,973	47,860	4,087	5,030	47,060	52,889

Notes to the Statement of Accounts

The net liabilities set out in the following table show the underlying long-term commitments that the County Council has to pay retirement benefits.

Pension Liability	2023/24 £'000	2024/25 £'000
Present value liabilities:		
Local Government Pension Scheme funded benefits	1,547,293	1,754,397
Local Government Pension Scheme unfunded benefits	12,603	29,095
Fire Fighters' Pension Schemes	211,800	183,200
Teachers' Added Years	31,743	10,986
Total Present value liabilities	1,803,440	1,977,678
Fair value of assets in the Local Government Pension Scheme	1,673,798	1,711,149
Net Liabilities in the scheme:		
Local Government Pension Scheme funded	-126,504	43,248
Local Government Pension Scheme unfunded	12,603	29,095
Fire Fighters' Pension Schemes	211,800	183,200
Teachers' Added Years	31,743	10,986
Total Net Liabilities	129,642	266,529

It should be noted however that the pension liability valuation in accordance with accounting requirements is only a snapshot in time and will likely fluctuate year on year. The statutory arrangements for funding the deficit ensure that:

- The deficit on the Local Government Pension Scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary
- The rates of employee and employer contributions for the Fire-fighters' Pension Schemes will be reviewed regularly by actuaries acting on behalf of the government to ensure that they reflect the true cost of accruing pensions
- Finance is only required to be raised to cover teachers added years benefits and fire- fighters injury pensions and unfunded ill health retirements when they are actually paid

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. The schemes have been assessed by Hymans Robertson LLP, an independent firm of actuaries using estimates based on the latest full valuation of the scheme - at 31 March 2025 for the Local Government Pension Scheme and 31 March 2024 for the Fire-fighters Pension Schemes.

A reconciliation of the opening and closing balances of the present value of scheme liabilities is shown on the following table.

Notes to the Statement of Accounts

Liabilities	Local Government Pension Scheme & Teacher's Added Years		Fire Fighters' Pension Schemes		Total	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000	£'000
Opening Balance at 1 April	1,583,339	1,591,640	211,800	211,800	1,795,139	1,803,440
Current Service Cost	41,984	39,747	2,000	1,700	43,984	41,447
Interest Expense	74,828	76,811	10,000	10,100	84,828	86,911
Contributions by scheme participants	11,884	13,561	1,700	1,700	13,584	15,261
Actuarial gains and losses - demographic assumptions	-10,999	-2,798	-100	-3,200	-11,099	-5,998
Actuarial gains and losses - financial assumptions	-89,100	-241,253	-5,800	-32,400	-94,900	-273,653
Experience gains and losses	50,233	-15,812	0	2,200	50,233	-13,612
Actuarial gains and losses - Asset Ceiling	0	398,674	0	0	0	398,674
Other actuarial gains and losses	0	0	-746	-7,902	-746	-7,902
Benefits Paid	-68,277	-65,751	-5,787	-6,730	-74,064	-72,481
Past Service Costs	22	2,473	0	0	22	2,473
(Gain) / Loss from settlements	-2,274	-2,814	0	0	-2,274	-2,814
Fire Fighters pension scheme top-up grant	0	0	-1,267	5,931	-1,267	5,931
Closing balance at 31 March	1,591,640	1,794,478	211,800	183,199	1,803,440	1,977,677

Reconciliation of Asset Ceiling	2023/24 £'000	2024/25 £'000
Opening Balance at 1 April	0	0
Asset Ceiling Actuarial Gains/(Losses)	0	398,674
Closing balance at 31 March	0	398,674

Notes to the Statement of Accounts

The Fire-fighters' Pension Schemes and Teachers Added Years have no assets to cover liabilities. Assets in the Local Government Pension Scheme are valued at fair value, principally market value of investments. Cash contributions from other partners in the Pension Pool mean that the asset values in the County Council's accounts differ to those in the actuarial report. A reconciliation of the fair value of assets in the Local Government Pension Scheme is shown on the following table:

Assets at Fair Value	Local Government Pension Scheme (funded)	
	2023/24 £'000	2024/25 £'000
Opening Balance at 1 April	1,504,556	1,673,798
Interest Income	71,057	80,936
Return on plan assets	115,871	-37,084
Other actuarial gains and losses	-3,052	-417
Administration expenses	0	0
Employer Contributions	38,496	43,122
Contributions by scheme participants	11,884	13,561
Benefits Paid	-63,800	-61,013
Settlements received / (paid)	-1,214	-1,754
Closing balance at 31 March	1,673,798	1,711,149

Notes to the Statement of Accounts

The assets in the Local Government Pension Scheme consist of the following categories:

Assets	At 31 March 2024			At 31 March 2025		
	£'000	£'000	%	£'000	£'000	%
Equities						
Consumer	0			0		
Manufacturing	0			0		
Energy and Utilities	0			0		
Financial Institutions	0			0		
Health and Care	0			0		
Information and Technology	0			0		
		0	0%		0	0%
Debt Securities						
UK Government	21,568			0		
Other	8,810			0		
		30,378	2%		0	0%
Derivatives (quoted in an active market)						
Foreign exchange	77			0		
		77	0%		0	0%
Cash and cash equivalents						
Cash	25,287			35,544		
		25,287	2%		35,544	2%
Private Equity						
All	78,568			93,768		
		78,568	5%		93,768	5%
Investment Funds and Unit Trusts						
Equities	934,233			947,313		
Infrastructure	57,704			0		
Bonds	107,098			161,044		
Other	440,453			473,480		
		1,539,488	91%		1,581,837	93%
Total		1,673,798	100%		1,711,149	100%

Notes to the Statement of Accounts

The main assumptions used in the retirement benefit calculations are as follows:

	Local Government Pension Scheme (funded)		Local Government Pension Scheme (unfunded)		Fire-fighters' Pension Schemes		Teachers Added Years	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
Longevity Assumptions:								
Base Table	Fund's Vita Curves	Fund's Vita Curves	Fund's Vita Curves	Fund's Vita Curves	S2NMA/S2NFA with a 110% multiplier	S2NMA/S2NFA with a 110% multiplier	Fund's Vita Curves	Fund's Vita Curves
Men:								
Rate of improvement	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Longevity from 65 (currently aged 65) (yrs)	21.9	21.8	21.9	21.8	25.8	25.6	21.9	21.8
Longevity from 65 (currently aged 45) (yrs)	22.6	22.5	22.6	22.5	27.2	27.7	22.6	22.5
Women:								
Rate of improvement	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Longevity from 65 (currently aged 65) (yrs)	24.5	24.4	24.5	24.4	28.7	28.5	24.5	24.4
Longevity from 65 (currently aged 45) (yrs)	25.8	25.8	25.8	25.8	30	30.5	25.8	25.8
Financial Assumptions:								
Retail Price Index (RPI) increases	3.10%	3.05%	3.10%	3.05%	3.10%	3.15%	3.10%	3.05%
Consumer Price Index (CPI) increases	2.75%	2.75%	2.75%	2.75%	2.80%	2.80%	2.75%	2.75%
Rate of increases in salaries	2.75%	2.75%	2.75%	2.75%	2.75%	3.15%	2.75%	2.75%
Rate of increases in pensions and deferred pensions	2.75%	2.75%	2.75%	2.75%	2.75%	2.80%	2.75%	2.75%
Rate for discounting scheme liabilities	4.85%	5.80%	4.85%	5.80%	4.85%	5.80%	4.85%	5.80%

Notes to the Statement of Accounts

In addition, the following assumptions have been made for the Local Government Pension Scheme:

- Members will exchange half of their commutable pension for cash at retirement.
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age.
- The proportion of the membership that had taken up the option to pay 50% of contributions for 50% of benefits at the previous valuation date will remain the same.

For the Fire-Fighters Scheme:

- Members will exchange 90% of the maximum tax-free cash up to HMRC limits of their commutable pension for cash at retirement.
- Members will retire at the earliest age they are able to do so without reduction.
- The effect of an increase or decrease in the assumptions used to calculate the pension liability is set out below.

	Local Government Pension Scheme (funded)		Fire-Fighters' Pension Scheme	
	Approximate % increase to Employer Liability	Approximate monetary amount (£'000)	Approximate % increase to Employer Liability	Approximate monetary amount (£'000)
0.5% decrease in Real Discount Rate	10%	118,225	9%	16,110
0.5% increase in Pension Increase Rate	10%	117,660	7%	13,420
0.5% increase in Salary Increase Rate	1%	3,920	1%	440
1 year increase in member life expectancy	4%	55,832	3%	5,500

18. Pension Reserve

The movements on the Pension Reserve are set out in the following table:

	2023/24 £'000	2024/25 £'000
Pension Reserve		
Balance as at 1 April	-290,583	-129,642
Net charge made for retirement benefits in accordance with IAS19	-8,390	-1,877
Remeasurements of the new defined liability	169,331	-135,010
Balance as at 31 March	-129,642	-266,529

Notes to the Statement of Accounts

19. Grant Income

The County Council recognised the following grants in the Comprehensive Income and Expenditure Statement.

Grant issuing body	Credited to Taxation and Non-Specific Grant Income	2022/23 £'000	2023/24 £'000	Credited to Services	2022/23 £'000	2023/24 £'000
Department for Levelling Up, Housing and Communities	Business Rate Top Up Grant	39,976	42,128	Adult Social Care Discharge Fund	1,501	2,501
	Business Rates Retention Levy Surplus / Retention Scheme	1,326	1,535	Improved Better Care Fund	10,705	10,705
	Section 31 Grant for Business Rate Compensation	19,098	21,201			
	New Homes Bonus	1,749	1,674	Homes for Ukraine Tarrif Grant	1,787	1,119
	Supporting Families Grant - previously Troubled Families	1,597	1,732	Homes for Ukraine Sponsor Grant	2,286	1,986
	Domestic Abuse	1,167	1,189			
	Adult Social Care Support Grant (inc. Independent Living Fund)	32,684	42,538			
	Services Grant	2,910	502			
Department of Health and Social Care	Rough Sleeping Drug and Alcohol Grant	1,370	1,220	Public Health Grant	33,632	35,030
	Supplementary Substance Misuse Treatment & Recovery Grant	-	1,136	Market Sustainability and Improvement Fund	5,366	10,026
				Market Sustainability and Improvement Fund - Workforce Fund	3,485	-
				International Recruitment Fund	-	2,833
Department for Education	Wraparound Childcare Programme	-	2,109	Dedicated Schools Grant	264,341	300,694
				Pupil Premium Grant	8,305	7,961
				PE and Sports Grant	2,216	2,081
				Universal Infant Free School Meals	4,046	3,929
				Adoption Support Fund	1,626	1,288
				Holidays & Activities Grant	1,894	1,481
				Multiply	-	1,112
				Teachers' Pay Additional Grant	1,430	2,908
				Delivering Better Value in SEND	1,000	-
				Early Years Supplementary Funding	2,978	-
Department for Transport				Supplementary Funding (MSAG/Core Schools Budget Grant)	4,285	4,068
				Teachers' Pension Grant	-	4,066
Department for Transport				Bus Reform	1,294	2,363
Department for Culture, Media and Sport				Music Grant	866	816
Home Office				Fire (additional pension contributions)	1,362	1,061
				Asylum Seekers	7,028	7,092
Various	Other Revenue Grants	3,721	4,325	Other Revenue Grants	8,739	11,603
Various	Capital Grants	83,957	113,973	Capital Grants		
Various	Developer Contributions	24,524	21,887			
Various	Other Capital Contributions	9,157	526			
Non Covid Grants	Total	223,236	257,675	Total	370,172	416,723

Notes to the Statement of Accounts

Grant issuing body	Credited to Taxation and Non Specific Grant Income	2023/24	2024/25	Credited to Services	2023/24	2024/25
		£'000	£'000		£'000	£'000
Department of Health and Social Care				Household Support Fund	3,351	6,723
Department for Education				Recovery Premium	1,111	-
Various	Other Revenue Grants	-	-	Other Revenue Grants	343	59
COVID Grants	Total	-	-	Total	4,805	6,782
All Grants	Total	223,236	257,675	Total	374,977	423,505

20. Taxation and Non - Specific Grant Income

A breakdown of the items in the Taxation and Non-Specific Grant Income line within the Comprehensive Income and Expenditure Statement is:

	2023/24	2024/25
Taxation & Non Specific Grant Income	£'000	£'000
Council Tax Income	478,674	507,547
Non Domestic Rates	36,024	39,143
Non Ringfenced Government Grants	105,598	121,289
Capital Grants and Contributions	117,638	144,686
Total	737,934	812,665

21. Related Party Transactions

The County Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the County Council or to be controlled or influenced by the County Council. Disclosure of these transactions allows the reader of the accounts to assess the extent to which the County Council might have been constrained in its ability to operate independently or might have limited another party’s ability to pursue its interests independently.

Central government is responsible for the statutory framework within which all local authorities operate and provides the majority of the Council’s funding in the form of general and specific grants (as set out in Note 19 & 20).

Pension Fund
The County Council administers the Oxfordshire Pension Fund and this is a related party. During the year ended 31 March 2025, the County Council made employer contributions totalling £42.935m (£38.227m in 2023/24) to the Fund. The County Council charged the Fund £1.983m for expenses incurred in administering the Fund. As at 31 March 2025 £4.778m (£4.289m in 2023/24) was due to the Pension Fund and £0.214m (£0.187m in 2023/24) was due by the Pension Fund.

Officers
One Officer is a trustee of Homeless Oxfordshire Ltd. The Council paid the trust £1,327k in 2024/25.
A close family member of one Officer is a trustee of The River Learning Trust. The Council paid the trust £662k in 2024/25.

Elected Members
Councillor Roz Smith is a member of the Thames Valley Police & Crime Panel.
One Councillor received Disabled Facilities Grants of £88k between 2009/10 and 2012/13. Oxfordshire County Council has a legal charge on the property.
One Councillor received a Disabled Facilities Grant of £20k in 2007/08. Oxfordshire County Council has a legal charge on the property.
Three Councillors are trustees of Oxfordshire Buildings Trust. The Council paid £22k to the trust during 2024/25.
One Councillor is a Trustee of Experience Oxfordshire. The Council paid £51k to the trust during 2024/25.
One Councillor is a Trustee of The Ark-T Centre. The Council paid £11k to the trust during 204/25.
One Councillor is a Trustee of Headington Action. The Council paid £4k to the trust during 2024/25.
One Councillor is Chairman Oxford Community Action. The Council paid £2k to the trust during 2024/25.
One Councillor is a Trustee of Didcot Volunteer Drivers. The Council paid £12k to the trust during 2024/25.
One Councillor is a Trustee and one Councillor is a director of Oxford Preservation Trust. The Council paid £0.3k to the trust during 2024/25.
One Councillor is a director and shareholder of Total Pest Control UK Ltd. The Council paid £21k to the company during 2024/25.

Notes to the Statement of Accounts

Cont. Elected Members

One Councillor is a director of Vale and Downland Museum (Wantage). The Council paid £0.5k to the company during 2024/25.

One Councillor is a director of Bicester Vision CIC. The Council paid £10k to the company during 2024/25.

A close family member of one Councillor is a Local Councillor on Islip Parish Council. The Council paid £1k to the Parish Council during 2024/25.

One Councillor and a close family member are Local Councillors on Kidlington Parish Council. The Council paid £3k to the Parish Council during 2024/25.

One Councillor is a Local Councillor on Didcot Town Council. The Council paid £14k to the Town Council during 2024/25.

One Councillor is a Local Councillor on Bicester Town Council. The Council paid £3k to the Town Council during 2024/25.

One Councillor is a Local Councillor on Witney Town Council. The Council paid £2k to the Town Council during 2024/25.

Two Councillors are Local Councillors on Banbury Town Council. The Council paid £7k to the Town Council during 2024/25.

One Councillor is a Local Councillor on Abingdon Town Council. The Council paid £17k to the Town Council during 2024/25.

One Councillor is a Local Councillor on Carterton Town Council. The Council paid £3k to the Town Council during 2024/25.

Two Councillors are Local Councillors on Thame Town Council. The Council paid £6k to the Town Council during 2024/25.

Twenty-Six County Councillors were also District Councillors within 2023-24 (Thirty-One in 2023/24)

Commercial Relationships

The County Council incurred costs of £138k in 2024/25 for one interim director and one interim programme manager contracted through Tile Hill Interim Executives.

The County Council incurred costs of £15k in 2024/25 for one interim director contracted through Hays Plc.

The County Council incurred costs of £148k in 2024/25 for one interim finance business partner contracted through Morgan Law Ltd and Hays Plc.

Entities controlled or significantly influenced by the authority

Oxfordshire County Council exercises control over OXLEP Ltd, trading as Enterprise Oxfordshire, a company limited by guarantee, by virtue of its position as the sole guarantor. Following the withdrawal of official recognition for Local Enterprise Partnerships (LEPs) on 31 March 2024, their functions were transferred to upper-tier or combined local authorities. Accordingly, with effect from 1 April 2024, Oxfordshire County Council acquired a controlling interest in Enterprise Oxfordshire Ltd.

In the financial year 2024/25, Enterprise Oxfordshire Ltd reported income of £4.1 million, expenditure of £3.8 million, and year-end reserves of £2.3 million. As these figures fall below the Council's materiality threshold, the preparation of group accounts was not required.

During the year, net transactions between the County Council and Enterprise Oxfordshire Ltd totalled £3.0 million (net outflow), comprising £3.1 million in expenditure and £0.1 million in income. At 31 March 2025, the County Council held earmarked reserves of £0.225 million in respect of Enterprise Oxfordshire Ltd.

Notes to the Statement of Accounts

22. Movement in Property, Plant & Equipment (PPE)

2024/25	Other Land & Buildings	Vehicles, Plant, Furniture & Equipment	Surplus Assets	Assets Under Construction	Total Property Plant & Equipment	Service Concession assets included in PPE
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation as at 1 April	531,710	38,680	7,636	135,659	713,684	62,749
Recognition of right of use asset liability	12,710	0	0	0	12,710	0
Restatement Cost or valuation as at 1 April 2024	544,420	38,680	7,636	135,659	726,394	62,750
Additions	11,589	4,543	146	76,964	93,242	5,078
Donation	0	467	0	0	467	0
Revaluation increases (decreases) recognised in the Revaluation Reserve	1,923	0	726	0	2,649	350
Revaluation increases (decreases) recognised in the Surplus / Deficit on the Provision of Services	-6,659	0	0	0	-6,659	0
Derecognition - disposals	0	-237	0	0	-237	0
Derecognition - other	-20,088	0	0	-8	-20,096	-5,078
Assets reclassified to / from Held for Sale	0	0	-560	0	-560	0
Assets reclassified to / from Investment Property	0	0	0	0	0	0
Assets reclassified to / from Surplus assets and vehicles, plant and equipment	0	0	0	0	0	0
Transfers *	5,196	-2,874	-235	-43,774	-41,686	52
Other movements in cost or valuation	0	0	0	0	0	0
Cost or valuation as at 31 March	536,382	40,578	7,714	168,840	753,514	63,152
Depreciation and Impairment as at 1 April	-14,052	-24,527	-29	0	-38,608	-517
Depreciation charge	-18,117	-4,262	-48	0	-22,427	-1,715
Depreciation and impairment written out to the Revaluation Reserve	5,422	0	0	0	5,422	0
Depreciation and impairment written out to the Surplus / Deficit on Provision of Services	2,179	0	0	0	2,179	0
Impairment losses / (reversals) recognised in the Revaluation Reserve	-497	0	0	0	-497	0
Impairment losses / (reversals) recognised in the Surplus / Deficit on Provision of Services	-551	0	0	0	-551	0
Derecognition - disposals	0	228	0	0	228	0
Derecognition - other	1,280	-0	1	0	1,280	0
Assets reclassified to / from Held for Sale	0	0	0	0	0	0
Assets reclassified to / from Investment Properties	0	0	0	0	0	0
Transfers	-419	409	10	0	-0	0
Other movements in depreciation and impairment	0	0	0	0	0	0
Depreciation and impairment as at 31 March	-24,755	-28,153	-66	0	-52,974	-2,232
Net book Value at 31 March 2024	517,658	14,153	7,607	135,659	675,076	62,232
Net book Value at 31 March 2025	511,627	12,425	7,648	168,840	700,540	60,920

Notes to the Statement of Accounts

2023/24	Other Land & Buildings	Vehicles, Plant, Furniture & Equipment	Surplus Assets	Assets Under Construction	Total Property Plant & Equipment	Service Concession assets included in PPE
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation as at 1 April	522,923	37,886	5,086	121,781	687,676	47,715
Additions	5,444	3,510	57	43,745	52,756	638
Donation	0	0	0	0	0	0
Revaluation increases (decreases) recognised in the Revaluation Reserve	16,110	0	2,867	0	18,977	11,313
Revaluation increases (decreases) recognised in the Surplus / Deficit on the Provision of Services	-8,738	0	-192	0	-8,930	221
Derecognition - disposals	0	-79	0	0	-79	0
Derecognition - other	-11,110	0	0	-854	-11,964	-638
Assets reclassified to / from Held for Sale	0	0	-125	0	-125	0
Assets reclassified to / from Investment Property	0	0	0	0	0	0
Assets reclassified to / from Surplus assets and vehicles, plant and equipment	0	0	0	-521	-521	0
Transfers *	7,080	-2,638	-57	-28,493	-24,108	0
Other movements in cost or valuation	0	0	0	0	0	0
Cost or valuation as at 31 March	531,709	38,679	7,636	135,658	713,682	59,249
Depreciation and Impairment as at 1 April	-11,888	-20,772	-20	0	-32,679	-3,530
Depreciation charge	-12,899	-4,132	-63	0	-17,094	-1,472
Depreciation and impairment written out to the Revaluation Reserve	8,031	0	8	0	8,039	3,751
Depreciation and impairment written out to the Surplus / Deficit on Provision of Services	4,010	0	45	0	4,055	735
Impairment losses / (reversals) recognised in the Revaluation Reserve	-1,015	0	0	0	-1,015	0
Impairment losses / (reversals) recognised in the Surplus / Deficit on Provision of Services	-438	0	0	0	-438	0
Derecognition - disposals	0	53	0	0	53	0
Derecognition - other	499	-28	0	0	471	0
Assets reclassified to / from Held for Sale	0	0	1	0	1	0
Assets reclassified to / from Investment Properties	0	0	0	0	0	0
Transfers	-353	353	0	0	0	0
Other movements in depreciation and impairment	0	0	0	0	0	0
Depreciation and impairment as at 31 March	-14,053	-24,526	-29	0	-38,607	-517
Net book Value at 31 March 2023	511,035	17,114	5,066	121,781	654,997	44,185
Net book Value at 31 March 2024	517,656	14,153	7,607	135,658	675,075	58,732

Notes to the Statement of Accounts

	2023/24 £'000	2024/25 £'000
Infrastructure Assets		
Net Book Value(modified historical cost) at 1 April	605,486	669,338
Additions	67,587	78,978
Transfers	24,108	41,832
Depreciation charge	-27,843	-31,294
Net Book Value at 31 March	669,338	758,854

	2023/24 £'000	2024/25 £'000
Reconciliation to Balance Sheet		
Infrastructure Assets	669,338	758,854
Other Property, Plant and Equipment	675,075	700,444
Total Property, Plant and Equipment-per Balance Sheet	1,344,413	1,459,298

23. Investment Properties

Investment Properties	2023/24		2024/25	
	Non-current £'000	Current £'000	Non-current £'000	Current £'000
Opening Balance at 1 April	25,900	0	25,685	0
Additions	0	0	0	0
Disposal/Derecognition	0	0	-1,925	0
Net gain (+) / losses from fair value adjustments	-215	0	135	0
Assets reclassified to / from Investment Properties	0	0	0	0
Other changes	0	0	0	0
Closing balance at 31 March	25,685	0	23,895	0

None of the investment properties are held under operating leases. There are no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal. Classification in the fair value hierarchy, together with additional information for property classified as level 3 within the hierarchy is provided in the table overleaf.

The fair value for the agricultural properties has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local authority area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy. The office and commercial units located in the local authority area are measured using the income approach where the expected cash flows from the properties are discounted (using a market-derived all risks discount rate) to establish the present value of the net income stream.

The Council's office and commercial units are therefore categorised as Level 3 in the fair value hierarchy as the measurement technique used significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

Notes to the Statement of Accounts

	Fair Value Level	Fair Value at 31 March 2025 £'000	Additional Information for level 3 properties Valuation technique	Unobservable inputs	Range (weighted average used)	Sensitivity
Agricultural units & other level 2 assets	2	21,987				
Office units	3	570	Income approach using an all risks discount rate to assess capital value	Discount Rate	8% - 11% (10%)	Significant changes in market conditions will effect the discount rate and will result in a significantly lower or higher fair value
Commercial units	3	1,338	Income approach using an all risks discount rate to assess capital value	Discount Rate	5% - 6% (5%)	Significant changes in market conditions will effect the discount rate and will result in a significantly lower or higher fair value
		23,895				

The movement for investment properties categorised at level 3 in the hierarchy as follows:

Level 3	2023/24 £'000	2024/25 £'000
Balance at 1 April	7,532	2,857
Net gains (+) / losses (-) from fair value adjustments	-161	29
Transfers to/from Level 3	-4,515	-978
Disposals/de-recognition	0	0
Assets reclassified to / from Investment Properties	0	0
Additions	0	0
	2,857	1,908

The fair value of the County Council's investment property is measured annually at each reporting date. Valuations are carried out by external valuers (Sanderson Weatherall) in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

Notes to the Statement of Accounts

24. Assets Held for Sale

	2023/24 £'000	2024/25 £'000
Balance at 1 April	1,470	124
Assets newly classified as held for sale:		
Property, Plant and Equipment	124	560
Investment property	0	0
Revaluation gains / (losses)	0	0
Impairment losses	0	0
Assets declassified as held for sale:		
Property, Plant and Equipment	0	0
Assets derecognised	-1,470	-124
Additions	0	0
Balance at 31 March	124	560

25. Intangible Assets

	2023/24 £'000	2024/25 £'000
Gross Carrying value at 1 April	2,641	3,479
Additions	317	207
Transfers from Assets Under Construction	521	0
Derecognition	0	0
Gross Carrying value at 31 March	3,479	3,686
Amortisation and Impairment at 1 April	-1,556	-2,020
Amortisation for the year	-464	-467
Derecognition	0	0
Amortisation and Impairment at 31 March	-2,020	-2,487
Net Book Value at 1 April	1,085	1,459
Net Book Value at 31 March	1,459	1,199

26. Heritage Assets

Heritage assets are assets that are intended to be preserved in trust for future generations because of their cultural, environmental, or historical associations. This category of assets excludes assets with heritage characteristics that are used by the County Council in the provision of services - these are accounted for as operational assets within Property, Plant and Equipment. The main heritage assets held by the County Council comprise museum collections, history centre collections and archaeological sites.

Information is not available on the cost of the heritage assets held by the County Council, other than for a very small number of items, as the majority have been donated or acquired by excavation. The County Council considers that obtaining valuations for the museum and history centre collections would involve a disproportionate cost in comparison to the benefits to the users of the accounts and therefore does not recognise these assets on the Balance Sheet. The County Council does not consider that reliable valuation information can be obtained for the archaeological sites because of the diverse nature of the sites and lack of comparable market values, and therefore does not recognise these assets on the Balance Sheet.

Although current valuation information is not available to recognise the heritage assets on the Balance Sheet, contents insurance of £3.94m for the Museum Service and the

Notes to the Statement of Accounts

Oxfordshire History Centre (based on historic valuations) provides an indication of the value of these items not recognised on the Balance Sheet.

27. Valuation of non-current assets

It is the policy of the County Council to revalue land, buildings and component assets within Property, Plant and Equipment on a three-year rolling programme set out in Note 1. In addition, material changes in asset valuations are adjusted for in the interim periods.

Investment properties valuations are reviewed annually. Assets held for sale are revalued at the point of reclassification to that category.

Property valuations are conducted by the County Council's internal and external property valuers (Sanderson Weatherall). They provide an annual valuation report and valuation certificate which give details of their opinion of the value of specific assets, basis of valuation, assumptions made and details of the rolling programme, additional and ad-hoc valuations. Valuations have been undertaken in accordance with the RICS Valuation Standards published by the Royal Institution of Chartered Surveyors. The basis of valuations is set out in Note 1.

28. Private Finance Initiative (PFI and similar contracts – Homes for Older People)

The County Council has one PFI type contract (service concession arrangement) with an external operator, The Oxfordshire Care Partnership, relating to the provision of residential care homes and care services. The Cabinet Member for Adult Social Care represents the Council's interests as a director of the Partnership.

Provision of residential care services was originally in 19 homes across Oxfordshire under a 25- year contract with The Oxfordshire Care Partnership which came into operation in 2001. The County Council had an average of 70% of the beds in these homes. Under this arrangement, nine of the homes are subject to long term leases and these assets had previously been excluded from the County Council's Balance Sheet. A further ten homes were transferred to the contractor but with short term leases as the homes did not meet required property standards. These have now all been re-provided through a redevelopment programme.

The operator has built nine new homes and four extra care housing schemes through the redevelopment programme, whilst thirteen homes have been closed. The Oxfordshire Care Partnership also operate the new Chilterns Court Care Centre built by the County Council, which was completed in 2016/17 and replaces the former care home in Henley. Under the Code, the County Council is required to recognise homes that meet tests in respect of control of services and control of the residual interest in property on its Balance Sheet. All homes under the contract are included on the County Council's Balance Sheet, with the exception of one home that does not meet the control tests specified in the Code. At the end of the contract, all properties currently on the Balance Sheet revert to County Council ownership.

The council's original 25-year agreement with Oxfordshire Care Partnership will end in 2026/27, however, The Oxfordshire Care Partnership will continue to operate the homes until the end of 2031/32. There is no requirement for the County Council to purchase a set number or value of beds during the years 2027/28 to 2031/32 other than the obligation of both parties to maintain existing placements at 31 March 2028. It has not yet been agreed on what basis any beds will be purchased after 31 March 2027.

Notes to the Statement of Accounts

The value of assets recognised under service concession arrangements at each Balance Sheet date and the movements in value during the year are provided as a memorandum to the movement in Property Plant and Equipment (Note 22).

The financial liabilities arising from the service concession arrangement and an analysis of movements in the year are set out below:

	2023/24 £'000	2024/25 £'000
Balance at 1 April	15,735	14,995
Liability repaid in the year	-740	-836
Balance at 31 March	14,995	14,159

Details of payments due to be made under the service concession arrangement are as follows, with comparative figures for 2023/24 below.

	Service Costs £'000	Principal Repayments £'000	Interest Costs £'000	Lifecycle Replacement Payments £'000	Total £'000
2024/25					
Within 1 year	23,168	944	1,865	1,126	27,103
2-5 years	109,548	13,217	1,743	1,171	125,679
Total	132,716	14,161	3,608	2,297	152,782
2023/24					
Within 1 year	21,655	836	1,974	1,083	25,548
2-5 years	94,313	14,161	3,608	2,297	114,379
Total	115,968	14,997	5,582	3,380	139,927

The service concession arrangement forms part of the finance liability recorded on the Balance Sheet, together with finance leases and forward deals on investments. A reconciliation of the service concession liability to the total finance liability is as follows:

	Long-Term		Current	
	At 31 March 2024 £'000	At 31 March 2025 £'000	At 31 March 2024 £'000	At 31 March 2025 £'000
Service Concession Arrangement	14,161	13,217	836	944
Finance Leases	4,216	3,726	683	683
Total Finance Liability	18,377	16,943	1,519	1,627

Notes to the Statement of Accounts

29. Capital Spending

Details of the expenditure are set out in the tables below.

Capital Spending by Scheme	£'000
ED929 NE Didcot Sires Hill - New Primary School	1,235
ED930 Wallingford New Primary (relocate)	1,060
Woodstock Expansion to 2 Form Entry	1,265
ED964 Bloxham - Improvements to Hall	2,300
ED965 Grove Airfield - New Secondary	7,508
Programmes & Projects <£1m	12,675
Pupil Place Plan	26,043
Upper Heyford Phase 2 M40 J10 (Growth Deal)	4,404
A40 Science Transit (Project Development)	1,208
A34 Lodge Hill Slips	4,830
HIF1 Didcot Science Bridge	3,407
HIF1 Culham River Crossing	8,651
HIF1 Clifton Hampden bypass	7,771
HIF 2 - A40 Eynsham to Wolvercote	5,734
HIF2 A40 Dualling Witney Eynsham	1,267
Benson Relief Road	2,830
Wantage Eastern Link Rd (Growth Deal)	2,715
Oxford Woodstock Road Corridor Improvements (Growth Deal)	2,825
A4130 Steventon Lights	1,724
Access to Witney (Shores Green)	6,384
A4095-B4100 Roundabout NW Bicester	7,775
Banbury Tramway Rd Accessibility Improvement	3,739
North Oxford Corridor - Kidlington	2,310
ZEBRA Zero Emission Bus Regional Areas	23,466
Oxford Traffic Filters	1,330
Kennington Bridge - Replacement	2,731
Programmes & Projects <£1m	7,779
Major Infrastructure	102,880
Bridges Packaged Structural Maintenance	4,896
Street Light LED replacement	6,410
Drainage Improvements Programme Budget	2,445
Structural Highway Improvements Programme Budget	7,175
Surface Treatments Programme Budget	11,793
Footway and Cycleway Works Programme Budget	5,091
Carriageways Programme Budget	6,181
Accessibility and Road Safety Schemes Project	1,381
20mph Speed Limit	1,113
USVF Road Safety RAF Barford St John	3,499
Operations: Scheduled Main Programme Budget	1,491
Programmes & Projects <£1m	10,142
Highways Asset Management Plan	61,617
Deddington - Salt Barn	1,765
Speedwell House - Oxford Accommodation Strategy	1,790
Charlbury Fire Station (Decarbonisation)	1,223
Resonance Supported Homes Fund	1,994
Home Upgrade Grant - HUG2	3,083
Willowbank, Sutton Children's Home	1,077
Great Mead, East Hagbourne Children's Home	1,692
Programmes & Projects <£1m	9,259
Property and Investment Strategy	21,883

Notes to the Statement of Accounts

Capital Spending by Scheme	£'000
End User Computing Refresh	1,313
5G Innovation Region Connected Heartland	1,175
Programmes & Projects <£1m	2,533
ICT Strategy	5,021
Better Care Fund - Disabled Facilities Grant	8,262
Programmes & Projects <£1m	2,525
Passport Funding	10,787
Capitalised purchase of vehicles	2,661
Capitalised purchase of Equipment	160
Vehicles and Equipment	2,821
Total Capital Spending	231,052

Capital Spending by Asset Class	2024/25 £'000
Property, Plant and Equipment	167,288
Intangible Assets	207
Revenue Expenditure Funded from Capital under Statute	61,528
Capital Loans	2,029
Repayment of capital grants and contributions	0
Total Capital Spending	231,052

30. Capital Financing

The capital expenditure has been financed from the following sources:

Capital Financing	2023/24 £'000	2024/25 £'000
Prudential and other unsupported borrowing	59,845	53,701
Capital Receipts	0	0
Grants & Contributions	113,863	174,016
Revenue	2,216	3,335
Total	175,924	231,052

31. Capital Financing Requirement

The Capital Financing Requirement (CFR) is a measure of the capital expenditure incurred historically by the County Council that has yet to be financed (including assets acquired under finance leases and service concession arrangements). The movements on the CFR for the year are as follows:

Capital Financing	2022/23 £'000	2023/24 £'000
Capital Financing Requirement as at 1 April	420,867	467,426
New unsupported borrowing	59,845	53,701
Finance Lease Arrangements	0	3,726
Service Concession arrangements - lifecycle prepayments	1,041	1,083
Loan repayments and other adjustments	-89	25
Minimum Revenue Provision for the year	-14,238	-16,758
Increase (+) / decrease (-) in Capital Financing Requirement	46,559	41,776
Capital Financing Requirement as at 31 March	467,426	509,202

Notes to the Statement of Accounts

32. Capital Commitments

At 31 March 2025 the Council was contractually committed to £69.253m (31 March 2024: £66.444) on the following schemes:

Capital Commitments by Scheme	£'000
Pupil Places	
Shrivenham - 1.5 Form Entry Primary School (ED945)	864
SEND Free School - Faringdon (ED985)	1,114
Grove Airfield - Secondary School (ED965)	15,497
St Nicholas Primary School, Wallingford – 2 Form Entry Primary School (ED930)	11,972
Below £500k	4,098
	33,545
Major Infrastructure and Highways	
Banbury Tramway Road, Accessibility Improvements	4,621
Benson Relief Rd (Growth Deal)	546
HIF1 Culham River Crossing	2,431
HIF1 Didcot Science Bridge	2,992
HIF2 - A40 Eynsham to Wolvercote	938
A34 Lodge Hill Interchange	676
Oxford Traffic Filters	1,329
Access to Witney Shore Green	585
Oxford Zero Emission Zone	724
Accessibility and Road Safety Projects	892
Structural Highway Improvement Programme	965
Traffic Signal Obsolescence Grant	524
Below £500k	5,636
	22,859
Property and Investments	
Oathill, Enstone Children's Home	678
Speedwell House - Oxford Accommodation Strategy	627
Cowley Library (Decarbonisation)	547
Standlake Museum Store (Decarbonisation)	560
Bicester Day Centre (Decarbonisation)	636
Forum Youth Centre (Decarbonisation)	529
Kidlington HQ (Decarbonisation)	776
Rose Hill Children and Family Centre (Decarbonisation)	665
Abingdon Library (Decarbonisation)	601
Below £500k	3,512
	9,131
ICT, Passported Funding & Equipment	
5G Innovation Region Connected Heartland	3,173
Below £500k	545
	3,718
Total Capital Commitments	69,253

33. Financial Instrument Carrying Values

Financial assets comprise long-term and short-term investments, long-term and short-term debtors (excluding statutory debtors and prepayments) and cash & cash equivalents. Financial liabilities comprise long-term and short-term borrowing, creditors (excluding statutory creditors), finance leases, the finance liability element of service concession arrangements and forward deals on investments. The Code specifies the categorisation of these assets (see Note 1 Summary of Significant Accounting Policies). For each category, the financial instruments disclosed in the Balance Sheet are carried at the following values:

Notes to the Statement of Accounts

	Long-Term		Current	
	At 31 March	At 31 March	At 31 March	At 31 March
	2024	2025	2024	2025
	£'000	£'000	£'000	£'000
Financial assets at Amortised Cost	40,064	42,117	457,122	363,714
Financial assets at fair value through profit and loss	0	0	137,466	149,917
Total Financial assets	40,064	42,117	594,588	513,631
Financial Liabilities at amortised cost	280,544	273,099	105,113	89,226
Total Financial Liabilities	280,544	273,099	105,113	89,226

Statutory debtors and creditors, receipts in advance and the capital prepayment account are not considered to be financial instruments and are therefore excluded from the above carrying values. The County Council has not pledged any collateral for liabilities or contingent liabilities and, at 31 March 2025, there were no defaults or breaches relating to loans payable.

34. Financial Instrument Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets classified as assets at fair value through profit and loss and all derivative assets and liabilities are carried in the Balance Sheet at fair value. For most assets, including shares in money market funds and other pooled funds, the fair value is taken from the market price. Financial assets at amortised cost and all non-derivative financial liabilities are carried in the Balance Sheet at amortised cost. Their fair values have been estimated by calculating the net present value of the remaining contractual cash flows at 31 March 2025, using the following methods and assumptions:

- Loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.
- The value of “Lender’s Option Borrower’s Option” (LOBO) loans have been increased by the value of the embedded options. Lenders’ options to propose an increase to the interest rate on the loan have been valued according to a proprietary model for Bermudan cancellable swaps. Borrower’s contingent options to accept the increased rate or repay the loan have been valued at zero, on the assumption that lenders will only exercise their options when market rates have risen above the contractual loan rate.
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31 March.
- The fair values of finance lease liabilities and of service concession liabilities have been calculated by discounting the contractual cash flows (excluding service charge elements) at the rate for new PWLB borrowing.
- No early repayment or impairment is recognised for any financial instrument, other than short-term debtors.
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount given the low and stable interest rate environment.

Notes to the Statement of Accounts

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- **Level 1** – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g. bond prices
- **Level 2** – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g. interest rates or yields for similar instruments
- **Level 3** – fair value is determined using unobservable inputs, e.g. non-market data such as cash flow forecasts or estimated creditworthiness

Financial Liabilities	Fair Value Level	Balance Sheet At 31 March 2024 £'000	Fair Value At 31 March 2024 £'000	Balance Sheet At 31 March 2025 £'000	Fair Value At 31 March 2025 £'000
Financial liabilities held at amortised cost:					
Long-term loans from PWLB*	2	244,834	217,042	241,492	223,138
Long-term LOBO/money market loans*	2	25,344	16,304	20,779	27,797
Short-term LOBO/money market loans*	2	15,455	10,513	10,387	5,529
Finance lease payables and service concession liabilities	3	14,997	836	14,161	17,273
Total		300,630	244,695	286,819	273,737
Liabilities for which fair value is not disclosed **		85,027		75,506	
Total Financial Liabilities		385,657		362,325	
Recorded on balance sheet as:					
Short-term creditors		81,981		73,471	
Short-term borrowing		22,296		14,811	
Short-term finance liabilities		836		944	
Long-term borrowing		266,383		259,882	
Long-term finance liabilities		14,161		13,217	
Total Financial Liabilities		385,657		362,325	

* For the purpose of fair value comparison accrued interest in relation to long term PWLB & LOBO/money market loans has been included in the long-term balance sheet total.

**The fair value of short-term financial liabilities including trade payables is assumed to approximate to the carrying amount.

The fair value of financial liabilities held at amortised cost is higher than their balance sheet carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans as at the Balance Sheet date. Similarly the discount rate implied in the service concession arrangement and finance leases is higher than the rates available for new borrowing at the Balance Sheet date.

Notes to the Statement of Accounts

Financial Assets	Fair Value Level	Balance Sheet At 31 March 2024 £'000	Fair Value At 31 March 2024 £'000	Balance Sheet At 31 March 2025 £'000	Fair Value At 31 March 2025 £'000
Financial assets held at fair value:					
Money market funds	1	39,660	39,660	51,998	51,998
Bond, equity and property funds	1	97,806	97,806	97,919	97,919
Financial assets held at amortised cost:					
Long-term loans to local authorities*	2	35,546	41,530	35,819	35,804
Long-term debtors	3	5,064	5,064	7,117	7,117
Total		178,076	184,060	192,853	192,838
Assets for which fair value is not disclosed **		456,576		362,896	
Total Financial Assets		634,652		555,749	
Recorded on balance sheet as:					
Long-term debtors		5,064		7,117	
Long-term investments		35,000		35,000	
Short-term debtors		81,545		60,547	
Short-term investments		471,255		406,279	
Cash and cash equivalents		41,789		46,806	
Total Financial Assets		634,653		555,749	

* For the purpose of fair value comparison accrued interest on long term investments has been classified as long term in the balance sheet total.

**The fair value of short-term financial assets including trade receivables is assumed to approximate to the carrying amount.

The fair value of financial assets held at amortised cost is higher than their balance sheet carrying amount because the interest rate on similar investments is now lower than that obtained when the investment was originally made.

Notes to the Statement of Accounts

35. Long Term Debtors

An analysis of long-term debtors is set out as follows:

	At 31 March 2024 £'000	At 31 March 2025 £'000
Key Worker Loans	226	226
Chronically Sick and Disabled Persons Act loans	1,532	1,263
Children's Act: Loans to foster carers	547	584
Other	2,874	5,044
	5,179	7,117
Capital Prepayment Account	5,742	2,149
Total	10,921	9,266

Key Worker loans, Chronically Sick & Disabled Persons Act loans and Children's Act loans to foster carers are soft loans in that they are contracted at interest rates below market rates (zero in most cases).

The Capital Prepayment Account holds prepayments for lifecycle replacement costs relating to the service concession arrangement. As lifecycle replacements actually take place the value of the works is transferred to Property, Plant and Equipment. In 2024/25 £0.944m was transferred (2023/24: £0.638m). For one property that the County Council has control over the residual interest but not control over the services (and therefore does not meet the tests of a service concession arrangement), the account also holds an amount for the excess of the expected fair value of the property at the end of the arrangement over the amount the County Council is required to pay upon reversion. This is built up from payments made by the County Council over the life of the arrangement.

36. Debtors

Amounts falling due to the County Council in less than a year are set out as follows:

	At 31 March 2024 £'000	At 31 March 2025 £'000
Government Departments	18,351	19,281
Other Local Authorities	16,788	17,933
Health Authorities	26,623	19,014
Payments in Advance	18,359	16,540
Bodies external to general government (i.e. all other bodies)	86,163	85,911
	166,284	158,679
Less Impairment Allowance Account	-24,066	-24,244
Total	142,218	134,435

Notes to the Statement of Accounts

Under the arrangements for accounting for financial instruments, all financial assets are assessed for impairment. The Code permits the reduction in the carrying amount of financial assets to be held within an allowance account rather than adjusting the value of the financial asset directly. The movement in the debtor impairment allowance account is as follows:

Impairment Allowance	2023/24	2024/25
	£'000	£'000
Balance at 1 April	-23,120	-24,066
Decrease in allowance	688	-1,016
Increase in allowance	-1,634	838
Balance at 31 March	-24,066	-24,244

37. Cash and Cash Equivalents

Cash and cash equivalents comprise the amount of cash balances held at the bank and in County Council establishments (excluding monies held on behalf of third parties), balances held in call accounts and monies held in Money Market Funds.

An analysis of cash and cash equivalents held by the County Council shows:

	At 31	At 31
	March	March
	2024	2025
	£'000	£'000
Cash at bank and in hand(+)/Overdrawn (-)	2,112	-5,195
Call Accounts	15	3
Money Market Funds	39,660	51,998
Total	41,787	46,806

38. Risks arising from financial instruments

The County Council's activities expose it to a variety of financial risks:

- Credit risk – the possibility of financial loss stemming from other parties no longer being able to make payments or meet contractual obligations to the County Council
- Liquidity risk – the possibility that the County Council might not have funds available to meet its commitments to make payments when they fall due.
- Market risk – the possibility that the County Council may suffer a financial loss as a result of changes in such measures as interest rates and movements in financial markets.

The County Council's risk management of financial instruments is carried out by the Treasury Management Team, under policies approved by full Council in the Treasury Management Strategy and Annual Investment Strategy.

The Treasury Management Strategy sets out the approach to managing any borrowings the County Council may be required to undertake to meet the needs of the capital programme. The Annual Investment Strategy sets out the County Council's policies for managing its investments and for giving priority to the security and liquidity of those investments, including the treasury limits in force to limit the treasury risk and activities of the County Council.

Notes to the Statement of Accounts

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposure to the County Council's debtors. Deposits are restricted to institutions that meet the County Council's minimum credit rating criteria. Deposits are not made to banks or building societies with a FITCH short-term credit rating below F1, long-term rating below BBB-, unless there are other exceptional circumstances including Government ownership or Government guarantee.

Longer-term deposits of 1 year or more are restricted to the higher rated institutions with a minimum short-term FITCH rating of F1+, long-term rating AA-, or other Government bodies (e.g. other Local Authorities).

Receivables are collectively assessed for credit risk in the following groupings:

	Allowance set aside based on historic rate	At 31 March 2024		At 31 March 2025	
		Gross Receivable £000	Loss allowance £000	Gross Receivable £000	Loss allowance £000
Corporate Debtors:					
Trade receivables under £10k after 120 days	60%	409	228	2,066	591
		409	228	2,066	591
Adult Social Care debtors:					
Debtors with an account balance under £20k after 6 months	50% of total customer balance	4,823	2,722	8,623	4,512
		4,823	2,722	8,623	4,512
Total		5,232	2,950	10,689	5,103

The following receivables are individually assessed for impairment:

The following receivables are individually assessed for impairment:	At 31 March 2024		At 31 March 2025	
	Gross Receivable £000	Loss allowance £000	Gross Receivable £000	Loss allowance £000
Corporate Debtors:				
Individuals and sole traders - all debts over £10k after 120 days	573	237	1,265	169
Organisations - all debts over £10k after 120 days	412	202	801	422
	985	439	2,066	591
Adult Social Care debtors:				
Adult social care debtors with an account balance over £20k after 6 months	4,823	2,722	8,623	4,512
	4,823	2,722	8,623	4,512
Total	5,808	3,161	10,689	5,103

Notes to the Statement of Accounts

The next table summarises the nominal value (excluding accrued interest) of the Council's investment portfolio at 31 March 2024 and confirms that all investments were made in line with the Council's approved credit rating criteria at the time of placing the investment. The table includes money market funds and call accounts classed as cash and cash equivalents at 31 March 2024.

Aged Debtors	At 31 March 2024 £000	At 31 March 2025 £000
Less than 1 month	18,687	9,082
Between 1 and 3 months	5,090	8,298
Between 3 and 6 months	4,812	6,876
Between 6 month and 1 year	3,654	5,654
Between 1 and 3 years	8,495	11,408
Over 3 years	3,615	4,655
Total	44,354	45,973

Counterparty	Credit Rating Criteria Met when Investment Placed? YES / NO	Credit Rating Criteria Met on 31 March 2024? YES / NO	Balance Invested as at 31 March 2025						Total £000
			Up to 1 month £000	≥ 1 month and < 3 months £000	≥ 3 months and < 6 months £000	≥ 6 months and < 12 months £000	≥ 12 months and < 24 months £000	≥ 24 months and < 36 months £000	
			£000	£000	£000	£000	£000	£000	
Banks									
UK	Yes	Yes							0
Banks non-UK									
Australia	Yes	Yes							0
Netherlands	Yes	Yes							0
Singapore	Yes	Yes							0
Total Banks			0	0	0	0	0	0	0
Local Authorities and Police Authorities	Yes	Yes	38,000	65,000	94,000	103,000	20,000	15,000	335,000
Notice Accounts			0						0
Bond Funds	Yes	Yes	74,587						74,587
Property Funds	Yes	Yes	23,333						23,333
Money Market Funds	Yes	Yes	51,998						51,998
Call Accounts	Yes	Yes	2						2
Total			187,920	65,000	94,000	103,000	20,000	15,000	484,920

Notes to the Statement of Accounts

The analysis in the risk sections below shows that all deposits outstanding as at 31 March 2025 met the County Council's credit rating criteria at that date.

Within the £60.547m short-term debtors included in financial assets at amortised cost, £26.994m were past due at 31 March 2025 (£38.700m at 31 March 2024). The past due amount can be analysed by age as follows:

None of these past-due short-term debtors have been individually impaired. An impairment allowance of £1.123m has been provided for past due debtors that are financial instruments based on past and current experience (£1.634m at 31 March 2024). This is the County Council's estimate of maximum exposure to uncollectable debts. £24.244m of the debtor impairment allowance is based on collective assessments of debtors with similar characteristics. Individual impairment allowances have been provided for monies owed from a home support provider that went into liquidation (£0.288m) and for overdue library fines (£0.135m). The past due debtors analysis and impairment allowance quoted above exclude those for statutory debtors as these are not considered to be financial instruments.

The key worker, Chronically Sick and Disabled Persons Act and Children's Act loans are long term debtors and are secured on property.

Liquidity Risk

As the County Council has access to borrowings from the Public Works Loans Board, there is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the County Council may be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The strategy is to spread the maturity dates of fixed debt so that a significant proportion of the portfolio does not mature in any one year.

The maturity analysis of borrowing and financial liabilities is as follows:

Amount at 31 March 2024		Amount at 31 March 2025			Total £000
£000		Fixed Rate £000	Variable Rate £000	Other Finance Liabilities £000	
35,056	Less than 1 year	15,054	11,355	944	27,353
19,542	Between 1 and 2 years	48,326	5,441	13,217	66,984
123,717	Between 2 and 5 years	70,381	10,198	0	80,579
117,139	Between 5 and 10 years	97,858	0	0	97,858
151,176	More than 10 years	147,111	0	0	147,111
446,630		378,730	26,994	14,161	419,885

All trade and other payables are due to be paid in less than one year.

Market Risk

The County Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the County Council. For instance, a rise in interest rates would have the following effects:

Notes to the Statement of Accounts

- Borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise
- Borrowings at fixed rates – the fair value of the long-term borrowings will fall
- Investments at variable rates – the variation in the interest income credited to the Surplus or Deficit on the Provision of Services will be dependent upon the nature and proportion of structured products
- Investments at fixed rates – the fair value of the long-term assets will fall

The County Council has a number of strategies for managing interest rate risk. For example, use of Lender’s Option Borrowers Option (LOBO) loans is restricted to 20% of the debt portfolio.

In response to the environment of increasing interest rates, the Council sets fixed and variable rate interest rate exposure limits through its Treasury Management Strategy. These are designed to ensure that the County Council is not exposed to interest rate rises which could adversely impact on the revenue budget.

The Treasury Management Strategy Team regularly review the debt and investment portfolios and the impact of interest rate changes on the annual budget.

If the return on investments had been 1% higher, with all other variables held constant, the financial effect would be as follows:

If the return on investments had been 1% higher, with all other variables held constant, the financial effect would be as follows:

2023/24 £'000		2024/25 £'000
0	Increase in interest payable on new borrowings	0
0	Increase in interest receivable on variable and structured investments	0
-1,915	Increase in interest receivable on new fixed rate investments	-2,053
-27	Increase in the gain arising from the revaluation of available for sale assets	-1,927
-1,942	Impact on CIES	-3,980

If the return on investments had been 1% lower, with all other variables held constant, the financial effect would be as follows:

2023/24 £'000		2024/25 £'000
0	Decrease in interest payable on new borrowings	0
0	Decrease in interest receivable on variable and structured investments	0
1,915	Decrease in interest receivable on new fixed rate investments	2,053
27	Decrease in the gain arising from the revaluation of available for sale assets	1,927
1,942	Impact on CIES	3,980

Where prevailing rates were below 1% for new debt or investments, zero return has been assumed where a reduction in interest rates by 1% would imply a negative return. Negative return is applicable to available for sale assets.

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Price Risk

The County Council does not generally invest in equity shares but does have investments in externally managed pooled funds which may invest in instruments sensitive to price movements. The fund managers monitor price fluctuations and have strategies for limiting the impact of adverse price movements of underlying investments within the pooled funds.

The Council's investment in a pooled property fund is subject to the risk of falling commercial property prices. A 5% fall in commercial property prices at 31 March 2025 would result in a £1.4m (31 March 2024: £1.1m) charge to the Surplus or Deficit on the Provision of Services which is then transferred to the Pooled Investment Funds Adjustment Account.

The Council's investment in pooled equity funds is subject to the risk of falling share prices. A 5% fall in share prices at 31 March 2025 would result in a £3.9m (31 March 2024: £3.7m) charge to the Surplus or Deficit on the Provision of Services which is then transferred to the Pooled Investment Funds Adjustment Account.

This risk is limited by the Council's maximum exposure to pooled funds of 50% of the total investment portfolio.

Foreign Exchange Risk

The council's deposits and debt instruments are denominated in sterling.

39. Creditors

A breakdown of the items within the creditors category on the Balance Sheet is given in the following table:

	At 31 March 2024 £'000	At 31 March 2025 £'000
Receipts in Advance		
Government Departments	7,186	6,703
Other Local Authorities	1,579	1,416
Health Authorities	50	1
Bodies external to general government (i.e. all other bodies)	12,933	26,143
	21,748	34,263
Creditors		
Government Departments	9,252	9,475
Other Local Authorities	8,042	6,887
Health Authorities	8,613	2,241
Bodies external to general government (i.e. all other bodies)	87,072	91,454
	112,979	110,057
Short Term Creditors and RIA	134,727	144,320
Long Term Receipts in Advance	29,173	26,172
Total	163,900	170,492

Long Term Receipts in Advance relate to contributions received which have conditions attached to them that are not expected to be satisfied within the next 12 months.

Notes to the Statement of Accounts

40. Provisions

A breakdown of the items within the Provisions category on the Balance Sheet is set out below, analysed between those due within 1 year and those due after 1 year, together with the movements for the year is as follows:

	Balance at 31 March 2024	Reclassification between short and long term	Additional provisions made in 2024/25	Amounts used in 2024/25	Unused amounts reversed in 2024/25	Balance at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Provision due within 1 year						
Insurance	706	1,388	-859	-1,521	963	677
Pooled Budgets	0	0	0	0	0	0
Redundancy	0	0	0	0	0	0
MMI Scheme of Arrangement	202	0	-65	5	0	142
Business Rates	4,280	0	3,997	0	-4,280	3,997
Other	0	0	0	0	0	0
	5,188	1,388	3,073	-1,516	-3,317	4,816
Provision due after 1 year						
Insurance	4,389	-1,388	2,160	-567	-1,096	3,498
	4,389	-1,388	2,160	-567	-1,096	3,498
Total	9,577	0	5,233	-2,083	-4,413	8,314

	Balance at 31 March 2023	Reclassification between short and long term	Additional provisions made in 2023/24	Amounts used in 2023/24	Unused amounts reversed in 2023/24	Balance at 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Provision due within 1 year						
Insurance	543	1,045	990	-846	-1,028	705
Pooled Budgets	0	0	0	0	0	0
Redundancy	0	0	0	0	0	0
MMI Scheme of Arrangement	80	0	125	-3	0	202
Business Rates	3,469	0	4,280	0	-3,469	4,280
Joint Use	0	0	0	0	0	0
	4,092	1,045	5,395	-849	-4,497	5,187
Provision due after 1 year						
Insurance	2,197	-1,045	3,175	-315	-50	4,389
	2,197	-1,045	3,175	-315	-50	4,389
Total	6,289	0	8,570	-1,164	-4,547	9,576

Details of the provisions held at 31 March 2025 are as follows:

- Insurance claims are managed by the County Council's Insurance Team, working with external insurers and legal advisors to achieve a satisfactory outcome. The time required to settle these claims will depend upon the complexity of each case and the approach adopted by each claimant, but the expectation is that the majority of these cases will be settled within 18 months to two years. In a small number of cases where the final liability is dependent on a long-term medical prognosis, the claim may take longer to settle to ensure all the medical facts are known.
- Under the Business Rates Retention Scheme the County Council is required to account for its share of the billing authorities' provision for appeals on business rates valuations.

41. Deferred Income

The deferred income balance of £1.687m at 31 March 2025 (£2.518m at 31 March 2024) relates to lease premiums received under the service concession arrangement with Oxfordshire Care Partnership and in relation to two other leases, which are being released to the Comprehensive Income and Expenditure Statement over the lives of the arrangements.

42. County Fund Balance

The balance on the County Fund at 31 March 2025 was £45.256m (£41.950m at 31 March 2024) as shown in Movement in Reserves Statement.

43. Capital Grants Receipts in Advance

The balance on this account represents capital grants and contributions which have been received but not yet recognised as income as they have conditions attached to them that require the monies to be returned to the provider if not used for the purposes specified. The movement on the account, split between short term and long term is as follows:

Notes to the Statement of Accounts

2023/24				2024/25			
Capital Grants	Developer Contributions	Other Contributions	Total	Capital Grants	Developer Contributions	Other Contributions	Total
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Short Term:							
10,344	5,397	0	15,741	15,189	16,566	0	31,755
8,360	-4,652	0	3,708	Received/refunded during the year	11,080	2,283	0 13,363
-3,515	-27,029	0	-30,544	Transferred to the Comprehensive Income and Expenditure Statement during the year	-6,970	-23,395	0 -30,365
0	42,850	0	42,850	Transfer between short and long term	-8,900	34,078	0 25,178
15,189	16,566	0	31,755	Balance at 31 March	10,399	29,532	0 39,931
Long Term:							
500	169,965	65	170,530	Balance as at 1 April	500	178,566	65 179,131
0	45,632	0	45,632	Received/refunded during the year	0	29,099	0 29,099
0	861	0	861	Transferred to Capital grants unapplied	0	-12	0 -12
0	4,958	0	4,958	Interest	0	-9,031	0 -9,031
0	-42,850	0	-42,850	Transfer between short and long term	8,900	-34,078	0 -25,178
500	178,566	65	179,131	Balance at 31 March	9,400	164,544	65 174,009
15,689	195,132	65	210,886	Total Balance at 31 March	19,799	194,076	65 213,940

Notes to the Statement of Accounts

44. Earmarked Reserves

	Balance at 31 March 2023 £'000	In year movement 2023/24 £'000	Balance at 31 March 2024 £'000	In year movement 2024/25 £'000	Balance at 31 March 2025 £'000
Schools' Reserves	12,927	215	13,142	-2,394	10,748
Vehicle and Equipment Reserve	3,448	663	4,111	-892	3,219
Grants and Contributions Reserve	36,849	-3,291	33,558	-2,839	30,719
Government Initiatives Reserve	2,345	808	3,153	3,403	6,556
Trading Accounts	211	-132	79	85	164
Council Elections	384	188	571	157	728
Partnership Reserves	1,870	184	2,053	-312	1,741
On Street Car Parking Reserve	4,945	1,560	6,506	-1,173	5,333
Zero Emissions Zone	358	679	1,037	533	1,570
Transformation Reserve	1,470	365	1,835	5,618	7,453
Demographic Risk Reserve	13,000	4,000	17,000	4,000	21,000
Youth Provision Reserve	262	-240	22	-22	0
Budget Priorities Reserve	11,430	-683	10,747	281	11,028
Insurance Reserve	12,884	-2,597	10,287	277	10,564
Business Rates Reserve	9,484	2,180	11,664	-11,664	0
Capital & Prudential Borrowing Reserves	68,229	12,831	81,060	28,565	109,625
Redundancy Reserve	2,357	1	2,358	1,723	4,081
Investment Pump Priming Reserve	2,000	-1,880	120	0	120
Council Tax Collection Fund Reserve	3,000	0	3,000	-3,000	0
Covid-19 Reserve	15,400	-7,500	7,900	-4,067	3,833
Green Financing Reserve	0	0	0	894	894
Commercial Pump Priming Reserve	0	0	0	1,993	1,993
Collection Fund Risk Reserve	0	0	0	8,101	8,101
Local Government Reorganisation Reserve	0	0	0	10,000	10,000
IFRS 9 (Changes in the Value of Treasury Management Pooled Funds)	0	0	0	5,000	5,000
Total Earmarked Reserves	202,853	7,350	210,203	44,267	254,470

School Reserves

In accordance with the Education Reform Act 1988, the scheme of Local Management of Schools provides for the carry forward of individual school surpluses and deficits. These reserves are committed to be spent on schools. The following table provides an analysis of school surplus and deficits:

	Balance at 31 March 2024		Balance at 31 March 2025	
	No. of schools	Balance £'000	No. of schools	Balance £'000
Primary Schools				
Schools in surplus	109	14,570	102	13,357
Schools in deficit	20	-1,572	19	-1,739
Secondary Schools				
Schools in surplus	0	0	0	0
Schools in deficit	1	-1,108	1	-989
Special Schools				
Schools in surplus	3	1,393	3	1,663
Schools in deficit	1	-142	1	-1,544
Sub-Total Revenue	134	13,142	126	10,748
Closed schools and schools contingency		0		0
Schools Forum & miscellaneous activities		0		0
Total	134	13,142	126	10,748

Notes to the Statement of Accounts

Insurance Reserve

An independent actuary, Arthur J Gallagher, carries out a full valuation of the County Council's employers and public liability, motor, property and personal accident liability every three years using generally accepted actuarial methods. Interim valuations take place annually in between. The last full valuation was completed as at 31 March 2024.

The actuaries projected the standard claims arising in future years in respect of the period up to 31 March 2025 at £1.649m. In addition to these claims the actuaries have also highlighted an amount in respect of Municipal Mutual Insurance Plc (MMI) clawback and non-standard claims (for example exceptional and latent claims) which in total has been assessed at £1.729m. The sum of £0.588m has been included in the reserves to cover MMI clawback noted as a contingent liability.

	At 31 March 2024	At 31 March 2025
	£'000	£'000
Standard claims likely to be received as at 31 March	1,924	1,649
Additional IBNR/Latent claims as assessed by Actuarial review	1,740	1,729
MMI clawback as assessed by actuarial review	581	558
Risk management	6,042	6,628
Total	10,287	10,564

45. Usable Capital Receipts

	2023/24	2024/25
	£'000	£'000
Balance at 1 April	31,672	33,076
Net receipts from sale of assets	1,437	4,266
Net receipts from repayment of loans	0	0
Receipts applied to finance capital expenditure	-33	-13
Balance at 31 March	33,076	37,329

This reserve has been established for the purpose of financing capital expenditure in future years. Unutilised capital receipts at 31 March 2025 have been earmarked for future schemes. An analysis of the net capital receipts from the sale of assets is set out in the following table:

	2023/24	2024/25
	£'000	£'000
Net Capital Receipts from the sale of assets		
Other receipts from the sale of assets under £500,000	23	12
Total	23	12

46. Capital Grants and Contributions Unapplied

The balance on this account represents grants and contributions which have been recognised as income in the Comprehensive Income and Expenditure Statement but not yet applied to finance capital expenditure.

Notes to the Statement of Accounts

	2023/24 £'000	2024/25 £'000
Balance at 1 April	218,358	221,935
Applied during the year	-42,872	-63,170
Repaid during the year	-25	-7
Interest	1,943	-969
Recognised as income but not applied during the year	45,392	28,753
Transfers from Capital grants received in advance	-861	-2,705
Balance at 31 March	221,935	183,837

47. Unusable Reserves

A breakdown of reserves within the unusable reserves category on the Balance Sheet is set out in the following table.

Unusable Reserves	2023/24 £'000	2024/25 £'000
Pooled Fund Adjustment Account	-2,454	-2,341
Pensions Reserve	-129,642	-266,529
Revaluation Reserve	177,234	176,082
Capital Adjustment Account	738,797	808,913
Financial Instruments Adjustment Account	-228	-226
Collection Fund Adjustment Account	11,366	9,571
Dedicated Schools Grant Adjustment Account	-45,824	-80,283
Accumulated Absences Account	-3,459	-3,468
Total	745,790	641,719

48. Pooled Funds Adjustment Account

The Financial Instruments Revaluation Reserve holds gains /losses arising from the movement in fair value of assets held within the Fair Value through Other Comprehensive Income assets category.

2023/24 £'000		2024/25 £'000
-4,903	Balance at 1 April	-2,454
3,416	Increase in value of assets held at Fair Value through Profit and Loss	1,244
-967	Decrease in value of assets held at Fair Value through Profit and Loss	-1,131
0	Amounts transferred to the General Fund on disposal	0
-2,454	Balance at 31 March	-2,341

49. Revaluation Reserve

The Revaluation Reserve contains the gains made by the County Council arising from increases in the value of Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are revalued downwards or impaired, consumed through depreciation or disposed. The Reserve contains only revaluation gains accumulated since 1 April 2007, when the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2023/24		Revaluation Reserve	2024/25	
£'000	£'000		£'000	£'000
	158,223	Balance as at 1 April		177,234
18,977		Revaluation of assets	2,648	
-1,015		Impairment of assets	-497	
7,527		Write back of accumulated depreciation on revaluations	5,297	
511		Write back of accumulated impairment on revaluations	125	
	26,000	Surplus or deficit on revaluation of non current assets not posted to the Surplus or Deficit on the Provision of Services		7,573
	0	Asset Transfers		0
-3,746		Difference between fair value depreciation and historical cost depreciation	-6,153	
-3,243		Accumulated gains on assets sold or scrapped	-2,573	
	-6,989	Amounts written off to the Capital Adjustment Account		-8,726
	177,234	Total Balance at 31 March		176,082

Notes to the Statement of Accounts

50. Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences between accounting for the consumption of non-current assets and for financing the acquisition, construction, or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by the County Council as finance for the costs of acquisition, construction, or enhancement. The account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date the Revaluation Reserve was created to hold such gains.

2023/24 £'000	Capital Adjustment Account	2024/25 £'000	£'000
721,291	Balance as at 1 April		738,797
	Reversal of Items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement (CIES):		
-44,937	Charges for depreciation for non-current assets	-53,721	
-438	Charges for impairment for non-current assets	-551	
-4,875	Revaluation losses / subsequent gains on Property, Plant and Equipment	-4,479	
-462	Amortisation of Intangible Assets	-467	
-55,904	Revenue Expenditure funded from capital under statute	-61,536	
-11,518	Amounts of non-current assets written off on disposal or sale as part of the gain/ loss on derecognition	-18,816	
0	Removal of finance liability on derecognition of assets held under finance leases	0	
-118,134			-139,570
	Adjusting amounts written out of the Revaluation Reserve:		
3,747	Difference between fair value depreciation and historical cost depreciation	6,153	
3,243	Accumulated gains on assets sold or scrapped	2,548	
0	Balance on reclassification of Investment Properties to PPE	0	
6,990			8,701
	Capital Financing applied in year:		
71,007	Capital grants and contributions credited to the CIES that have been applied to capital financing	119,614	
42,872	Application of grants to capital financing from the Capital Grants Unapplied account	63,169	
0	Reversal of grants and contributions applied in previous years	0	
14,239	Statutory provision for the financing of capital investment charged against the County Fund balance	16,758	
2,217	Capital expenditure charged against the County Fund balance	3,334	
130,335			202,875
-215	Movements in the market value of Investment Properties debited or credited to the CIES		135
0	Amounts of Investment Properties written off on disposal or sale as part of the gain/loss on derecognition		-1,925
0	Accumulated gains on Assets held for Sale or scrapped		25
-1,470	Amounts of Assets held for Sale written off on disposal or sale as part of the gain/loss on derecognition		-124
0	Repayment of loans treated as capital receipts		0
738,797	Total Balance at 31 March		808,913

Notes to the Statement of Accounts

51. Collection Fund Adjustment Account

The account holds the difference between the accrued Council Tax income and accrued Business Rates income included in the Comprehensive Income and Expenditure Statement (CIES) and the amount required by regulations to be credited to the County Fund.

The movement on the account is as follows:

	2023/24	2024/25
	£'000	£'000
Collection Fund Adjustment Account		
Balance as at 1 April	17,183	11,366
Decrease in Council Tax and Business Rate surpluses/increases in deficits	477	-457
Increases in Council Tax and Business Rate surpluses/reductions in deficits	-6,294	-1,338
Amount by which Council Tax and Business Rate income credited to the CIES is different from the income for the year calculated in accordance with statutory requirements	-5,817	-1,795
Balance as at 31 March	11,366	9,571

52. Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the County Fund balance from accruing for compensated absences earned but not taken in the year. Statutory provisions require that the impact on the County Fund balance is neutralised by transfers to or from the account.

The balance at 31 March 2025 relates to teachers' accumulated holiday pay. No accruals have been made for non-teaching staff in 2024/25 as the amounts involved are not considered to be material to the accounts.

	2023/24	2024/25
	£'000	£'000
Accumulated Absences Account		
Balance as at 1 April	-3,271	-3,459
Settlement or cancellation of previous year's accrual	3,271	3,459
Amount accrued at the end of the current year	-3,459	-3,468
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement differs from remuneration chargeable in the year under statute	-188	-9
Balance as at 31 March	-3,459	-3,468

53. Dedicated Schools Grant Adjustment Account

The statutory reporting requirements for the 2024/25 accounts require the closing deficit balance on High Needs Dedicated Schools Grant to be held within the Dedicated Schools Grant Adjustment Account. The existing statutory override relating to High Needs that supports this accounting treatment was due to end on 31 March 2026 but the Government has now extended this until 31 March 2028. While the council is continuing to take action to manage the deficit through the Deficit Management Plan, it is continuing to grow. Further information on how High Needs deficits will be managed in future is expected later in the year along with a White Paper on SEND reform.

	2023/24	2024/25
DSG Adjustment Account	£'000	£'000
Balance as at 1 April	-33,611	-45,824
Contributions to / from reserve	-12,213	-34,459
Balance as at 31 March	-45,824	-80,283

54. Cash Flow Statement – Non-Cash Movements

The table below provides a reconciliation between the movements on the Balance Sheet during the year and net cash flows from financing activities in the Cash Flow Statement:

	2023/24	2024/25
Non-cash Movements	£'000	£'000
Depreciation/amortisation of fixed assets	-45,401	-54,188
Impairment charges/revaluation losses (-) Gains (+)	-5,313	-5,031
Retirement benefit adjustments	-8,390	-1,877
Debt write-offs and Impairment allowances	957	-790
Donated assets	0	467
Other financial instrument adjustments	2	2
Movement in provisions in the year	-2,860	1,262
Deferred income released	831	831
Movement in value of Pooled Funds	2,447	113
Movement in value of investment properties	-215	135
Interest on S106 Contributions	-4,958	9,031
Carrying amount of non-current assets sold	-12,989	-18,948
Transfers from Capital Grants Receipts in Advance	29,683	30,377
Other non cash adjustment	0	12,856
Increase/decrease(-) in debtors	-4,457	-6,721
Increase(-)/decrease in creditors	-27,262	-1,681
Total adjustments for non-cash movements	-77,926	-34,162

55. Cash Flow - Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities.

	2023/24 £'000	2024/25 £'000
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	1,427	4,266
Gains on loans & receivables	0	0
Capital grants received	88,277	115,503
Cash adjustment	0	0
Total	89,704	119,769

56. Cash Flow Statement – Investing Activities

Investing Activities	2023/24 £'000	2024/25 £'000
Purchase of property, plant and equipment, investment property and intangible assets	127,250	168,998
Purchase of short-term and long-term investments	373,454	308,366
Other payments for investing activities	-1,041	-1,041
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-1,427	-6,191
Capital grants	-137,617	-157,966
Proceeds from short-term and long-term investments	-403,390	-373,726
Other receipts from investing activities	1,329	-5,311
Total adjustments for investing activities	-41,441	-66,871

Notes to the Statement of Accounts

57. Cash Flow Statement – Reconciliation of Liabilities Arising from Financing Activities

The table below provides a reconciliation between the movements on the Balance Sheet during the year and net cash flows from financing activities in the Cash Flow Statement:

31 March 2023	Financing Cashflows	Other Cashflows	Non-Cash Transactions	31 March 2024		31 March 2024	Financing Cashflows	Other Cashflows	Non-Cash Transactions	31 March 2025
£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
-35,351	14,000		-945	-22,296	Short term borrowing	-22,296	6,000		1,485	-14,811
-274,383	8,000		0	-266,383	long term borrowing	-266,383	6,500		0	-259,883
-740	740	-836		-836	Short term finance liability liabilities	-836	836	-1,627		-1,627
-14,997	0	836		-14,161	long-term finance liability liabilities	-14,161	-3,533	-2,781		-16,943
0				0	Short term receivables	0				0
0				0	Short term payables	0				0
-325,471	22,740	0	-945	-303,676		-303,676	9,803	-4,409	1,485	-293,264

Financing Activities	2023/24 £'000	2024/25 £'000
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Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet service

concession arrangements	740	-2,697
Short and long-term borrowings raised	0	0
Repayments of short- and long-term borrowing	22,000	12,500
Total adjustments for financing activities	22,740	9,804

58. **Contingent Liabilities/Assets**

The County Council has claims outstanding with Municipal Mutual Insurance (MMI) Plc. In November 2012 the directors of MMI triggered a process to wind up the business. This means the County Council may have to repay all or part of the insurance claims settled since the company ceased to trade, as well as fund any outstanding claims. The current levy of 25% has been paid against settled claims, therefore, as at 31 March 2025 the County Council has a potential liability of £3.621m (2024: £3.621m) remaining on previously settled claims, plus the value of any outstanding and future claims. On actuarial advice a further 15% of the total known liability has been secured against future clawback over the longer term.

Thurrock Council has raised a claim against the 256 member authorities of the Association for Public Service Excellence (APSE). The total value of the claim is between £17.6m and £46.0m. If successful, the claim would likely be payable equally by all members of APSE. There is, therefore, a contingent liability of between £0.067m and £0.180m representing Oxfordshire County Council's share of the potential claim.

In May 2025, Prevista Limited, who were contracted to provide training to adult learners, entered into voluntary liquidation. While the County Council is seeking recovery of £0.291m through the liquidation process and a fraud investigation is ongoing, the outcome remains uncertain. In addition, the Department for Education (DfE) have indicated that they will seek to recover grant funding paid to the County Council as the training was not provided. Because of the evolving situation no asset or liability has been recognised in the County Council's accounts, however, the position will be kept under review and updated as further information becomes available.

59. **Events after the Reporting Period**

The draft accounts were authorised for issue on 30 June 2025. Where events taking place before this date provided information about conditions existing at 31 March 2025, the amounts in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

On 15 May 2025 there was a major fire in Bicester that tragically led to the deaths of two firefighters and a member of the public. Two firefighters sustained serious injuries and have since been released from hospital. An investigation is ongoing and coroner's inquests have been opened and adjourned until November 2025.

60. **Accounting standards issued but not adopted**

The County Council is required to disclose information relating to the impact on the financial statements of any accounting changes resulting from the adoption by the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

61. **Authorisation of the Accounts**

The draft Statement of Accounts was authorised for issue by Lorna Baxter, Executive Director of Resources and Section 151 Officer on 30 June 2025. These statements may be subject to amendment following the conclusion of the audit.

Trust Funds

The County Council acts as a trustee for the various funds below. The funds are invested in the Stock Market and with the County Council. They do not form part of the Balance Sheet.

Trust Funds where Oxfordshire County Council acts as sole trustee		2023/24 Value of Fund £'000	2024/25 No. of funds	Value of Fund £'000
Children's	Funds for the Development of Hill End Residential Centre	38	1	66
	Criminal Injuries Compensation Awards	0	0	1
	Other (under £10,000)	1	1	1
CDAI	Bequest of Property at Watlington	88	1	80
Total		127	4	148

Trust Funds where Oxfordshire County Council acts as joint trustee		2023/24 Value of Fund £'000	2024/25 No. of funds	Value of Fund £'000
Children's	Other (under £10,000)	1	1	1
Adults	Junior Citizens Trust	7	1	5
Total		9	2	6

Other Funds		2023/24 Value of Fund £'000	2024/25 No. of funds	Value of Fund £'000
Children's	City Lectureship Scholarship	19	1	21
	Other (under £10,000)	25	6	27
Adults	Other (under £10,000)	5	1	5
Total		51	8	53



The Local Government Pension Fund Accounts

The Local Government Pension Fund Accounts

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The Local Government Pension Fund Accounts

Fund Account	Notes	2024 £'000	2025 £'000
Contributions and Benefits			
Contributions Receivable	6	-135,929	-139,412
Transfers from Other Schemes	7	-17,260	-27,574
Other Income		-21	-19
Income Sub Total		-153,210	-167,005
Benefits Payable	8	114,793	129,652
Payments to and on Account of Leavers	9	12,131	17,658
Expenditure Sub Total		126,924	147,310
Net (Additions)/Withdrawals From Dealings With Members		-26,286	-19,695
Management Expenses	10	22,676	23,989
Net (Additions)/Withdrawals From Dealings With Members Including Management Expenses		-3,610	4,294
Returns on Investments			
Investment Income	11	-24,257	-29,462
Profits and Losses on Disposal of Investments and Changes in Market Value of Investments	14a	-343,413	-83,478
Less Taxes on Income	11	-2	8
Net returns on Investments		-367,672	-112,932
Net (Increase)/Decrease in the Net Assets Available for Benefits During the Year		-371,282	-108,638
Opening Net Assets of the Scheme		3,170,152	3,541,434
Closing Net Assets of the Scheme		3,541,434	3,650,072

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Net Assets Statement			
	Notes	2024 £'000	2025 £'000
Investment Assets			
Equities	14b	177,643	197,361
Pooled Investments	14b	2,967,703	3,029,121
Pooled Property Investments	14b	315,717	325,897
Derivative Contracts		0	0
Loans	14c	0	15,000
Cash Deposits	14c	5,753	7,557
Other Investment Balances	14c	2,093	1,977
Long-Term Investment Assets	14b	840	840
Investment Liabilities			
Derivative Contracts		0	0
Other Investment Balances	14c	-4	-3
Total Investments		3,469,745	3,577,750
Assets and Liabilities			
Current Assets	15	74,514	80,385
Current Liabilities	16	-3,235	-3,596
Net Current Assets		71,279	76,789
Long-Term Assets	17	410	409
Net Assets of the scheme available to fund benefits at year end		3,541,434	3,654,948

The Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the period end. The actuarial present value of promised retirement benefits is disclosed at Note 24.

Note 1 – Description of the fund

This description of the Fund is a summary only. Further details are available in the Fund's 2024/25 Annual Report and in the underlying statutes.

General

The Oxfordshire County Council Pension Fund is part of the Local Government Pension Scheme which is a statutory, funded, defined benefit pension scheme. Oxfordshire County Council is the administering body for this pension fund. The scheme covers eligible employees and elected members of the County Council, District Councils within the county area and employees of other bodies eligible to join the Scheme.

The scheme is governed by the Public Service Pensions Act 2013 and is administered in accordance with the following secondary legislation:

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- The Local Government Pension Scheme Regulations 2013 (as amended)
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended)
- The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

This defined benefit scheme provides benefits related to salary for its members. Pensions paid to retired employees, their dependents, and deferred benefits are subject to mandatory increases in accordance with annual pension increase legislation. The amount is determined by the Secretary of State.

Membership

The majority of fund employers are required to automatically enrol eligible jobholders into the LGPS under the government's auto-enrolment legislation, employees may then choose to opt-out of the scheme. Some employers will have the option of whether to auto-enrol eligible jobholders into the LGPS or another qualifying scheme.

Members are made up of three main groups. Firstly, the contributors - those who are still working and paying money into the Fund. Secondly, the pensioners - those who are in receipt of a pension and thirdly, by those who have left their employment with an entitlement to a deferred benefit on reaching pensionable age.

Organisations participating in the Oxfordshire County Council Pension Fund include:

- Scheduled Bodies – Local authorities and similar bodies, such as academies, whose staff are automatically entitled to become members of the Fund.
- Admitted Bodies – Organisations that participate in the Fund under an admission agreement between the Fund and the organisation. Admitted bodies include voluntary, charitable and similar bodies or private contractors undertaking a local authority function following outsourcing to the private sector.
- Admitted Bodies can be split in to two groups:
 - Community Admission Bodies – these are typically employers that provide a public service on a not-for-profit basis and often have links to scheduled bodies already in the Fund. Housing Corporations fall under this category.
 - Transferee Admission Bodies – these are bodies that provide a service or asset in connection with the exercise of a function of a scheme employer. Typically this will be when a service is transferred from a scheme employer and is to allow continuing membership for staff still involved in the delivery of the service transferred.

Full definitions are contained in The Local Government Pension Scheme (Administration) Regulations 2008.

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The table below details the composition of the Fund's membership:

	As at 31 March 2024	As at 31 March 2025
Number of Contributory Employees in Scheme		
Oxfordshire County Council	8,375	8,217
Other Scheduled Bodies	13,391	13,799
Admitted Bodies	442	446
	22,208	22,462
Number of Pensioners and Dependants		
Oxfordshire County Council	10,858	11,343
Other Scheduled Bodies	7,267	7,769
Admitted Bodies	1,263	1,336
	19,388	20,448
Deferred Pensioners		
Oxfordshire County Council	16,303	16,129
Other Scheduled Bodies	14,137	14,819
Admitted Bodies	1,243	1,191
	31,683	32,139

Unprocessed leavers are included as Deferred Pensioners.

Funding

The Oxfordshire County Council Pension Fund is financed by contributions from employees and employers, together with income earned from investments. The contribution from employees is prescribed by statute, and for the year ending 31 March 2023 rates ranged from 5.5% to 12.5% of pensionable pay.

Employers' contribution rates are set following the actuarial valuation, which takes place every three years. The latest actuarial valuation took place in 2022 and determined the contribution rates to take effect from 01 April 2023. Employer contribution rates currently range from 9.6% to 37.3% of pensionable pay.

Benefits

Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service as summarised below.

	Service Pre 1 April 2008	Service Post 31 March 2008
Pension	Each full-time year worked is worth $1/80 \times$ final pensionable salary.	Each full-time year worked is worth $1/60 \times$ final pensionable salary.
Lump Sum	Automatic lump sum of $3 \times$ pension. In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.	No automatic lump sum. Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.

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From 1 April 2014 the scheme became a career average scheme, where members accrue benefits based on their pensionable pay in any given year at an accrual rate of 1/49th. Accrued pension is indexed annually in line with the Consumer Prices Index. The normal retirement age is linked to each individual member's State Pension Age.

There are a range of other benefits provided under the scheme including early retirement, disability pensions and death benefits. Scheme members are now also able to opt to pay 50% of the standard contributions in return for 50% of the pension benefit.

Note 2 – Basis of Preparation

The accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Regulation 5(2)(c) of the Pension Scheme (Management and Investment of Funds) Regulations 1998 (SI 1998 No 1831) prohibits administering authorities from crediting Additional Voluntary Contributions to the Pension Fund. In consequence Additional Voluntary Contributions are excluded from the Net Assets Statement and are disclosed separately in Note 21.

The accounts summarise the transactions of the Pension Fund and detail the net assets of the Fund. The accounts do not take account of the obligation to pay future benefits which fall due after the year-end. The Code gives administering authorities the option to disclose this information in the net assets statement, in the notes to the accounts or by appending an actuarial report prepared for this purpose. The pension fund has opted to disclose this information in Note 24.

The accounts have been prepared on a going concern basis. The Fund's cashflow monitoring shows that cashflows from dealings with members continue to be positive each month and are currently running at around +£0.5m per month on average. Even if the cashflow position from dealing with members turns negative the Fund generates investment income that can also be used to pay pensions without the need to sell assets at a potentially suboptimal time. The Fund has a level of assets that would be able to cover pension payments for over a decade at current pension payment levels even if no further income was received. The Fund is subject to an actuarial valuation every three years so any deterioration in the funding position leading up to the valuation would be factored in when setting contribution rates for employers to ensure the fund is able to meet all its future obligations. The funding level of the Pension Fund as assessed by the Fund's actuary at the 2022 valuation was 111%. Therefore, management are assured the pension fund remains a going concern for at least 12 months from the date of the signed accounts.

Note 3 – Summary of Significant Accounting Policies Investments

1. Investments are shown in the accounts at market value, which has been determined as follows:

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- a) The majority of listed investments are stated at the bid price or where the bid price is not available, the last listed traded price, as at 31 March 2025.
- b) Unlisted securities are included at fair value, estimated by having regard to the latest dealings, professional valuations, asset values and other appropriate financial information;
- c) Pooled Investment Vehicles are stated at bid price for funds with bid/offer spreads, or single price where there are no bid/offer spreads, as provided by the investment manager.
- d) Where appropriate, investments held in foreign currencies have been valued on the relevant basis and translated into sterling at the rate ruling on 31 March 2025.
- e) Fixed Interest stocks are valued on a 'clean' basis (i.e. the value of interest accruing from the previous interest payment date to the valuation date has been included within the amount receivable for accrued income).
- f) Derivatives are stated at market value. Exchange traded derivatives are stated at market values determined using market quoted prices. For exchange traded derivative contracts which are assets, market value is based on quoted bid prices. For exchange traded derivative contracts which are liabilities, market value is based on quoted offer prices.
- g) Forward foreign exchange contracts are valued by determining the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date.
- h) All gains and losses arising on derivative contracts are reported within 'Changes in Market Value of Investments.

Foreign Currencies

2. Balances denominated in foreign currencies are translated at the rate ruling at the net assets statement date. Asset and liability balances are translated at the bid and offer rates respectively. Transactions denominated in foreign currencies are translated at the rate ruling at the date of transaction. Differences arising on investment balance translation are accounted for in the change in market value of investments during the year.

Contributions

3. Employee normal contributions are accounted for when deducted from pay. Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as employees' contributions, otherwise they are accounted for in the period they are due under the Schedule of Contributions. Employer deficit funding contributions are accounted for on the due dates on which they are payable in accordance with the Schedule of Contributions and recovery plan under which they are being paid or on receipt if earlier than the due date.

Employers' pensions strain contributions are accounted for in the period in which

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the liability arises. Any amount due in year but unpaid will be classed as a current financial asset. Amounts not due until future years are classed as long-term financial assets.

The Actuary determines the contribution rate for each employer during the triennial valuations of the Fund's assets and liabilities. Employees' contributions have been included at rates required by the Local Government Pension Scheme Regulations.

Benefits, Refunds of Contributions and Transfer Values

4. Benefits payable and refunds of contributions have been brought into the accounts on the basis of all amounts known to be due at the end of the financial year. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities. Transfer values are those sums paid to, or received from, other pension schemes and relate to periods of previous pensionable employment. Transfer values have been included in the accounts on the basis of the date when agreements were concluded.

In the case of inter-fund adjustments provision has only been made where the amount payable or receivable was known at the year-end. Group transfers are accounted for in accordance with the terms of the transfer agreement.

Investment Income

5. Dividends and interest have been accounted for on an accruals basis. Dividends from quoted securities are accounted for when the security is declared ex-div. Interest is accrued on a daily basis. Investment income is reported net of attributable tax credits but gross of withholding taxes. Irrecoverable withholding taxes are reported separately as a tax charge. In the majority of cases, investment income arising from the underlying investments of the Pooled Investment Vehicles is reinvested within the Pooled Investment Vehicles and reflected in the unit price. It is reported within 'Changes in Market Value of Investments'. Foreign income has been translated into sterling at the date of the transaction. Income due at the year-end was translated into sterling at the rate ruling at 31 March 2025.

Investment Management and Scheme Administration

6. A proportion of relevant County Council officers' salaries, including salary on-costs, have been charged to the Fund on the basis of time spent on scheme administration and investment related business. The fees of the Fund's general investment managers have been accounted for on the basis contained within their management agreements. Investment management fees are accounted for on an accruals basis.

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Expenses

7. Expenses are accounted for on an accruals basis.

Cash

8. Cash held in bank accounts and other readily accessible cash funds is classified under cash balances as it is viewed that these funds are not held for investment purposes but to allow for effective cash management. Cash that has been deposited for a fixed period and as such as an investment, has been included under cash deposits.

Listed Private Equity

9. The fund holds a number of investments in listed private equity companies. These are included under equities as the investment is in a company that undertakes private equity related activities rather than an investment in a specific fund that makes private equity investments. This is consistent with the treatment of other equity investments as the fund does not split out any other categories from within equities, for example retail stocks.

Management Fees

10. Management fees have been accounted for based on the latest guidance from the Chartered Institute of Public Finance & Accountancy. Fees have been accounted for where the pension fund has a direct contractual obligation to pay them. This means where fees are deducted in a pooled fund they have been accounted for, but in a fund of funds the fees for the underlying funds are not included, only those the pension fund pays to the fund of funds manager.

Note 4 – Critical Judgements in Applying Accounting Policies

Unquoted Private Equity Investments

Determining the fair value of unquoted private equity investments is highly subjective in nature. Unquoted private equity investments are valued by the investment managers using various valuation techniques and this involves the use of significant judgements by the managers. The value of unquoted private equity, private debt and infrastructure investments at 31 March 2025 was £553.298m (£496.162m at 31 March 2024).

Pension Fund Liability

The pension fund liability is calculated every three years by the Fund's actuary, with annual updates in the intervening years. Methods and assumptions consistent with IAS19 are used in the calculations. Assumptions underpinning the valuations are agreed with the actuary

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and are summarised in Note 27. The estimate of the liability is therefore subject to significant variances based on changes to the assumptions used.

Note 5 – Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, and the amounts reported for the revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key judgements and estimation uncertainties that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are:-

Item	Uncertainties	Potential Impact
Actuarial Present Value of Promised Retirement Benefits	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on fund assets. The fund engages an actuarial firm to provide expert advice on the assumptions to be applied.	<p>The actuarial present value of promised retirement benefits included in the financial statements is £2,871m. There is a risk that this figure is under, or overstated in Note 24 to the accounts.</p> <p>Sensitivities to the key assumptions are as follows:</p> <p>A 0.1% p.a. increase in the pension increase rate would result in an approximate 2% increase to liabilities (£49m).</p> <p>A 0.1% p.a. increase in the salary increase rate would result in an approximate increase to liabilities of 0.1% (£2m).</p> <p>A 0.1% decrease in the real discount rate would result in an approximate 2% increase to liabilities (£51m).</p> <p>A one-year increase in member life expectancy would approximately increase the liabilities by 4% (£115m).</p>
Unquoted Investments	Unquoted investments are valued at fair value using recognised valuation techniques. Due to the assumptions involved in this process there is a degree of estimation involved in the valuation.	Unquoted investments, classified as level 3 in the fair value hierarchy, included in the financial statements total £1,043.431m. There is a risk these investments are under, or overstated in the accounts. The Pension Fund relies on specialists to perform the valuations and does not have the information (i.e. the assumptions that were used in each case) to produce sensitivity calculations. Further details are included in Note 25.

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Note 6 – Contributions

	2023/24 £'000	2024/25 £'000
Employers		
Normal	-88,354	-96,191
Augmentation	0	0
Deficit Funding	-16,040	-5,634
Costs of Early Retirement	-207	-3,604
	-104,601	-105,429
Members		
Normal & Additional*	-31,328	-33,983
Total	-135,929	-139,412

*Local Government Scheme Additional Employees contributions are invested within the Fund, unlike AVCs which are held separately, as disclosed in Note 21.

Lump sum pre-payments in respect of contributions for the period 01/04/23-31/03/26 totalling £10.780m were received during 2023/24. There were no pre-payments in 2024/25.

Deficit recovery contributions are paid by employers based on the maximum 22 year recovery period set out in the Funding Strategy Statement. Where appropriate, the Actuary has shortened the recovery period for some employers to maintain as near stable contribution rates for those employers, in line with the Regulations.

	Employer Contributions		Members Contributions	
	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000
Oxfordshire County Council	-38,227	-42,935	-12,733	-13,409
Scheduled Bodies	-58,818	-54,055	-16,052	-17,834
Resolution Bodies	-5,161	-5,709	-1,652	-1,829
Community Admission Bodies	-1,168	-1,242	-401	-437
Transferee Admission Bodies	-1,227	-1,488	-490	-474
Total	-104,601	-105,429	-31,328	-33,983

Note 7 – Transfers In

	2023/24 £'000	2024/25 £'000
Individual Transfers In from other schemes	-17,260	-27,574
Group Transfers In from other schemes	0	0
Total	-17,260	-27,574

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Note 8 – Benefits

	2023/24	2024/25
	£'000	£'000
Pensions Payable	95,768	106,189
Lump Sums – Retirement Grants	16,071	20,492
Lump Sums – Death Grants	2,954	2,971
Total	114,793	129,652

	Pensions Payable		Lump Sums	
	2023/24	2024/25	2023/24	2024/25
	£'000	£'000	£'000	£'000
Oxfordshire County Council	46,254	50,658	6,933	10,140
Scheduled Bodies	41,255	46,032	8,897	10,289
Resolution Bodies	1,706	2,104	1,822	1,274
Community Admission Bodies	5,042	5,608	996	1,230
Transferee Admission Bodies	1,511	1,787	377	530
Total	95,768	106,189	19,025	23,463

Note 9 – Payment to and on account of leavers

	2023/24	2024/25
	£'000	£'000
Refunds of Contributions	652	634
Payments for members joining state scheme	-3	-3
Group Transfers Out to other schemes	0	0
Individual Transfers Out to other schemes	11,482	17,027
Total	12,131	17,658

Note 10 – Management Expenses

	2023/24	2024/25
	£'000	£'000
Administrative Costs	2,906	3,320
Investment Management Expenses	18,140	18,606
Oversight & Governance Costs	1,630	2,063
Total	22,676	23,989

Within oversight and governance costs are fees paid to the Pension Fund's external auditors of £0.115m (2023/24 £0.025m) for the audit of the Pension Fund's Annual Report and Accounts.

A further breakdown of Investment Management Expenses is in Note 12.

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Note 11 – Investment Income

	2023/24	2024/25
	£'000	£'000
Equity Dividends	-4,295	-4,222
Pooled Property Investments	-7,061	-8,105
Pooled Investments – Unit Trusts & Other Managed Funds	-10,034	-13,635
Interest on cash deposits	-2,867	-3,500
	-24,257	-29,462
Irrecoverable withholding tax – equities	-2	8
Total	-24,259	-29,454

Note 12 – Investment Management Expenses

	2023/24	2024/25
	£'000	£'000
Management Fees	18,091	18,580
Custody Fees	49	26
Total	18,140	18,606

Investment Management & Custody Fees are generally calculated on a fixed scale basis with applicable rates applied to the market value of the assets managed. See Note 3 for details of the accounting treatment of management fees.

Note 13 – Related Party Transactions

The Pension Fund is required to disclose material transactions with related parties, and bodies or individuals that have the potential to control or influence the Pension Fund, or to be controlled or influenced by the Pension Fund. Disclosure of these transactions allows readers to assess the extent to which the Pension Fund might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Pension Fund.

Members of the Pension Fund Committee and the post of Service Manager (Pensions) are the key management personnel involved with the Pension Fund. During 2024/25, the Committee consisted of five County Councillors (voting members), four employer representatives and a scheme member representative. Members of the Pension Fund Committee are disclosed in the Pension Fund Report and Accounts. An amount of £0.129m was paid to Oxfordshire County Council in respect of key management compensation during the financial year as follows:

	2023/24	2024/25
	£'000	£'000
Short Term Benefits*	108	111
Long Term/Post Retirement Benefits	18	18
Total	126	129

*Includes allowances paid to the Chairman of the Pension Fund Committee

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These figures represent the relevant proportion of the salary and employer pension contributions for the key Council staff, reflecting their work for the Pension Fund.

As the County Council is the designated statutory body responsible for administering the Oxfordshire Pension Fund, it is a related party.

For the 12 months ended 31 March 2025, employer contributions to the Pension Fund from the County Council were £42.935m (2023/24 £38.227m). At 31 March 2025 there were receivables of in respect of contributions due from the County Council of £4.778m (2023/24 £4.289m) and payables due to the County Council of £0.214m (2023/24 £0.187m).

The County Council was reimbursed £1.983m (2023/24 £1.936m) by the Pension Fund for administration costs incurred by the County Council on behalf of the Pension Fund.

Brunel Pension Partnership Ltd (Company Number 10429110)

Brunel Pension Partnership Ltd (BPP Ltd) was formed on the 14 October 2016 and oversees the investment of pension fund assets for the following LGPS

funds: Avon, Buckinghamshire, Cornwall, Devon, Dorset, Environment Agency, Gloucestershire, Oxfordshire, Somerset, and Wiltshire.

Each of the nine Administering Authorities, including Oxfordshire County Council, and the Environment Agency own 10% of BPP Ltd. Pension Fund transactions with BPP Ltd are as follows:

	2023/24	2024/25
	£'000	£'000
Income	0	0
Expenditure	1,313	1,499
Receivables	0	0
Payables	0	0

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Note 14 – Investments

	Value at 31 March 2024 £'000	Value at 31 March 2025 £'000
Investment Assets		
Equities	177,643	197,361
Pooled Funds:		
- Fixed Income	135,566	141,217
- Index Linked	229,819	206,005
- Global Equity	1,596,696	1,572,791
- UK Equity	359,128	392,830
- Private Equity	246,528	261,347
- Private Debt	68,410	90,846
- Infrastructure Funds	181,224	201,105
- Multi Asset Credit Fund	150,332	162,980
Pooled Property Investments	315,717	325,897
Cash Deposits	5,753	7,557
Loans	0	15,000
Long-Term Investments	840	840
Investment Income Due	1,979	1,977
Amounts Receivable for Sales	114	0
Total Investment Assets	3,469,749	3,577,753
Investment Liabilities		
Management Expenses Due	-4	-3
Amounts Payable for Purchases	0	0
Total Investment Liabilities	-4	-3
Net Investment Assets	3,469,745	3,577,750

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Note 14a – Reconciliation of Movements in Investments and Derivatives

	Value at 1 April 2024	Purchases at Cost & Derivative Payments	Sales Proceeds & Derivative Receipts	Change in Market Value	Cash Movement	Increase in Receivables / (Payables)	Value at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Equities	177,643	2,205	0	17,513			197,361
Pooled Investments	2,967,703	68,196	-75,666	68,888			3,029,121
Pooled Property Investments	315,717	17,591	-9,568	2,157			325,897
Long-Term Investments	840	0	0	0			840
<u>Derivative Contracts</u>							
FX	0	6	-1	-5			0
Futures	0	0	0	0			0
<u>Other Investment Balances</u>							
Loans	0	0	0	0	15,000		15,000
Cash Deposits	5,753	15,721	-13,912	-199	194		7,557
Amounts Receivable for							
Sales of Investments	114	0	0	0		-114	0
Investment Income Due	1,979	0	0	0		-2	1,977
Amounts Payable for							
Purchases of Investments & Management Expenses	-4	0	0	0		1	-3
Total	3,469,745	103,719	-99,147	88,354	15,194	-115	3,577,750

Transaction costs are borne by the scheme in relation to transactions in pooled investment vehicles. However, such costs are taken into account in calculating the bid/offer spread of these investments and are not therefore separately identifiable.

There have been no employer-related investments at any time during the year.

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	Value at 1 April 2023	Purchases at Cost & Derivative Payments	Sales Proceeds & Derivative Receipts	Change in Market Value	Cash Movement	Increase in Receivables / (Payables)	Value at 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Equities	145,099	3,319	-16,279	45,504			177,643
Pooled Investments	2,684,400	500,902	-533,351	315,752			2,967,703
Pooled Property Investments	276,454	100,158	-43,227	-17,668			315,717
Long-Term Investments	840	0	0	0			840
<u>Derivative Contracts</u>							
FX	0	2		-2			0
Futures	0	0		0			0
Other Investment Balances							
Cash Deposits	11,952	33,565	-39,470	-173	-121		5,753
Amounts Receivable for							
Sales of Investments	0	0	0	0		114	114
Investment Income Due	1,888	0	0	0		91	1,979
Amounts Payable for							
Purchases of Investments & Management Expenses	-66	0	0	0		62	-4
Total	3,120,567	637,946	-632,327	343,413	-121	267	3,469,745

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Note 14b – Analysis of Investments (excluding Derivative Contracts, Cash Deposits and Other Investment Balances)

	2023/24	2024/25
	£'000	£'000
Long-Term Investment Assets		
Brunel Pension Partnership Ltd	840	840
Total	840	840

	2023/24	2024/25
	£'000	£'000
Equity Investments		
UK Equities	177,319	197,044
European Equities	324	317
Total	177,643	197,361

	2023/24	2024/25
	£'000	£'000
Pooled Investment Vehicles		
UK Registered Managed Funds – Property	105,841	115,745
Non UK Registered Managed Funds – Property	51,895	46,987
UK Registered Managed Funds – Other	2,346,147	2,339,636
Non UK Registered Managed Funds – Other	621,556	689,484
UK Registered Property Unit Trusts	99,305	102,416
Non UK Registered Property Unit Trusts	58,676	60,750
Total	3,283,420	3,355,018

Total Investments (excluding Derivative Contract, Cash Deposits and Other Investment Balances)	2023/24	2024/25
	£'000	£'000
	3,461,903	3,553,219

Note 14c – Other Investment Balances

	2023/24	2024/25
	£'000	£'000
Receivables		
Sale of Investments	114	0
Dividend & Interest Accrued	1,750	1,735
Inland Revenue	229	242
	2,093	1,977
Payables		
Management Fees	0	0
Custodian Fees	-4	-3
	-4	-3
Total	2,089	1,974

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Loans

	2023/24 £'000	2024/25 £'000
Short- Term Loans	0	15,000
Total	0	15,000

Cash Deposits

	2023/24 £'000	2024/25 £'000
Non-Sterling Cash Deposits	5,753	7,557
Total	5,753	7,557

The following investments represent more than 5% of the net assets of the scheme

	2023/24 £'000	% of Total Fund	2024/25 £'000	% of Total Fund
FTSE PAB Developed Equity Index Fund	628,606	17.75	618,659	16.95
Brunel GBL Sustainable Mutual Fund	615,574	17.38	599,037	16.41
Brunel UK Equity Fund	359,128	10.14	393,805	10.79
Brunel HG ALP GLB EQ	352,516	9.95	355,287	9.73
Blackrock Aquila Life Fund	229,819	6.49	206,005	5.64

Note 15 – Current Assets

	2023/24 £'000	2024/25 £'000
Receivables:		
Employer Contributions	7,828	7,882
Employee Contributions	2,627	2,678
Rechargeable Benefits	1,215	1,512
Transferred Benefits	2,115	5,429
Cost of Early Retirement	87	131
Inland Revenue	197	31
Other	1,525	179
Cash Balances	58,920	62,543
Total	74,514	80,385

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Note 16 – Current Liabilities

	2023/24	2024/25
	£'000	£'000
Transferred Benefits	-260	-808
Benefits Payable	-1,156	-618
Inland Revenue	-1,519	-1,883
Employer Contributions	-2	-3
Staff Costs	-155	-166
Consultancy	-21	-48
Other	-122	-70
Total	-3,235	-3,596

Note 17 – Long-Term Assets

	2023/24	2024/25
	£'000	£'000
Employer Contributions	410	409
Total	410	409

Note 18 - Assets under External Management

The market value of assets under external fund management amounted to £3,286.935m as at 31 March 2025. The table below gives a breakdown of this sum and shows the market value of assets under management with each external manager.

Fund Manager	31/03/2024		31/03/2025	
	Market Value		Market Value	
	£'000	%	£'000	%
Brunel Pension Partnership	3,131,009	97.30	3,217,623	97.89
Adams Street Partners	57,317	1.78	44,584	1.36
Partners Group	29,462	0.92	24,728	0.75
Total	3,217,788	100.00	3,286,935	100.00

Note 19 – Top 5 Holdings

Value of the Fund's Top Five Holdings at 31 March 2025	£'000	% of Fund
HG Capital Trust Plc	99,996	2.7
3i Group Plc	34,294	0.9
Patria Private Equity Trust Plc	29,299	0.8

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CT Private Equity Trust Plc	22,650	0.6
ICG Enterprise Trust Plc	10,708	0.3

Note 20 – Taxation

The scheme is a ‘registered pension scheme’ for tax purposes under the Finance Act 2004. As such the Fund is exempt from UK income tax on interest received and from capital gains tax on the proceeds of investments sold. However, the Fund cannot reclaim certain amounts of withholding taxes relating to overseas investment income which are suffered in the country of origin.

Note 21 – Additional Voluntary Contributions

	Market Value 31 March 2024	Market Value 31 March 2025
	£’000	£’000
	13,030	12,512

AVC contributions of £1.265m were paid directly to the Fund’s AVC providers during the year (2023/24 - £1.070m).

The AVC provider to the Fund is Legal & General (previously Prudential). The assets of these investments are held separately from the Fund. The AVC provider secures additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions. Members participating in this arrangement each receive an annual statement confirming the amounts held in their account and the movements in the year. The Administering Authority does not handle these monies. Instead, if employees decide to pay AVCs their employer (the member body) sends them to Legal & General.

Note 22 – Contingent Liabilities and Capital Commitments

As at 31 March 2025 the fund had outstanding capital commitments (investments) totalling £182.686m (31 March 2024 - £237.493m). These commitments relate to outstanding call payments due on unquoted limited partnership funds held in the pooled investments and pooled property fund elements of the investment portfolio. The amounts ‘called’ by these funds are irregular in both size and timing from the date of the original commitment due to the nature of the investments.

Note 23 – Investment Strategy Statement

Oxfordshire County Council Pension Fund has an Investment Strategy Statement. This is published in the Pension Fund Annual Report and Accounts which is circulated to all scheme employers and is also available on the Council’s webpage.

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Note 24 - Actuarial Present Value of Promised Retirement Benefits

	2024 £m	2025 £m
Present Value of Funded Obligation	3,290	2,871

The net decrease of £419m from March 2024 can in part be explained by the normal changes over the year as new benefits are accrued and previous benefits paid out. This explains an increase in the present value of the Funded Obligation of £109m (2024 - £226m increase).

There has been a decrease in the present value of the Funded Obligation of £528m (2024 - £214m decrease) reflecting changes in the financial assumptions used by the actuary as a consequence of changes in the financial markets. The key change in financial assumptions was:

- An increase in the discount rate to 5.80% from 4.85% (net effect a decrease in Present Value of Funded Obligation).

The Pension increase rate (CPI) and salary increase rate assumptions remained the same as 2023/24 at 2.75%.

Assumed average life expectancies at age 65 for current members were 21.8 and 24.5 years for males and females respectively and for future pensioners were 22.4 and 25.8 years for males and females respectively.

When the LGPS benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2014 by these members are subject to an ‘underpin’ which means that they cannot be lower than what they would have received under the previous benefit structure. The underpin ensures that these members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes.

In December 2018 the Court of Appeal upheld a ruling (“McCloud/Sargeant”) that similar transitional protections in the Judges’ and Firefighters’ Pension Schemes were unlawful on the grounds of age discrimination. The implications of the ruling are expected to apply to the LGPS (and other public service schemes) as well. The UK Government requested leave to appeal to the Supreme Court but this was denied at the end of June 2019. The Fund’s actuary has allowed for the impact of the McCloud/Sargeant ruling in the 2022 funding valuation for the Fund, and therefore within the actuarial present value of promised retirement benefits disclosed in this note.

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgement has now been upheld by the Court of Appeal.

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The Local Government Pension Scheme is a contracted out defined benefit scheme and amendments have been made during the period 1996 to 2016 which could impact member benefits. Work is being performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed however, at the date of these financial statements, the full assessment is not yet complete. Until this analysis is complete, we are unable to conclude whether there is any impact on the assessed actuarial present value of promised retirement benefits under IAS26, or if it can be reliably estimated. As a result, Oxfordshire County Council Pension Fund does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in the disclosure of the actuarial present value of promised retirement benefits in its financial statements.

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Note 25 - Financial Instruments

Note 25a – Classification of Financial Instruments

The following table analyses the carrying amounts of financial assets and liabilities by category and net assets statement heading. No financial assets were reclassified during the accounting period.

	2023/24 Fair Value through Profit & Loss £'000	Financial Assets at Amortised Cost £'000	Financial Liabilities at Amortised Cost £'000	2024/25 Fair Value through Profit & Loss £'000	Financial Assets at Amortised Cost £'000	Financial Liabilities at Amortised Cost £'000
Financial Assets						
Equities	177,643			197,631		
Pooled Investments	2,967,703			3,029,121		
Pooled Property Investments	315,717			325,897		
Derivatives	0			0		
Loan		0			15,000	
Cash		64,673			70,100	
Long-Term Investments	840			840		
Other Investment Balances	1,864			1,465		
Receivables		1,003			90	
	3,463,767	65,676	0	3,554,954	85,190	0
Financial Liabilities						
Derivatives	0			0		
Other Investment Balances	-4			-3		
Payables			-256			-277
	-4	0	-256	-3	0	-277
Total	3,463,763	65,676	-256	3,554,951	85,190	-277

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Note 25b – Net Gains and Losses on Financial Instruments

	31-Mar-24	31-Mar-25
	£'000	£'000
Financial Assets		
Fair Value through Profit and Loss	343,586	88,553
Loans and Receivables	0	0
Financial Assets at Amortised Cost	-173	-199
Financial Liabilities		
Fair Value through Profit and Loss	0	0
Financial Liabilities Measured at Amortised Cost	0	0
Total	343,413	88,354

Note 25c – Valuation of Financial Instruments Carried at Fair Value

Financial instruments have been classified in to one of the following three categories to reflect the level of uncertainty in estimating their fair values:

Level 1

Fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Fair value is based on inputs other than quoted prices included within Level 1 that are observable either directly (i.e., from prices) or indirectly (i.e., derived from prices).

Level 3

Fair value is determined by reference to valuation techniques using inputs that are not observable in the market.

Level 2 includes pooled funds where the valuation is based on the bid price, where bid and offer prices are published, or the net asset value provided by the issuing fund. Within Level 2 there are also listed private equity investments where the market for the security is not deemed active; for these investments the valuation is based on the most recently available bid price in the market.

Included within Level 3 are pooled private equity investments made in Limited Liability Partnerships where fair value is determined using valuation techniques which involve significant judgements by fund managers due to the unquoted nature of the underlying fund investments. The valuations are obtained from the audited financial statements of the issuing funds and are normally adjusted for cashflows where data does not cover the full financial year for the Pension Fund.

Some listed private equity investments have been included within Level 3 of the hierarchy where it has been determined that the market for the fund is inactive. These listed private equity investments are valued using the most recently available bid price in the market.

Categorisation of financial instruments within the levels is based on the lowest level input that is significant to the fair value measurement of the instrument.

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The following table presents the Fund's financial assets and liabilities within the fair value hierarchy.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Value at 31 March 2025				
Financial Assets				
Financial Assets at Fair Value through Profit & Loss	36,029	2,475,494	1,043,431	3,554,954
Financial Assets at Amortised Cost	85,190	0		85,190
Total Financial Assets	121,219	2,475,494	1,043,431	3,640,144
Financial Liabilities				
Financial Liabilities at Fair Value through Profit & Loss	-3	0	0	-3
Financial Liabilities at Amortised Cost	-277	0	0	-277
Total Financial Liabilities	-280	0	0	-280
Net Financial Assets	120,939	2,475,494	1,043,431	3,639,864
Value at 31 March 2024				
Financial Assets				
Financial Assets at Fair Value through Profit & Loss	28,505	2,471,707	963,555	3,463,767
Financial Assets at Amortised Cost	65,676	0	0	65,676
Total Financial Assets	94,181	2,471,707	963,555	3,529,443
Financial Liabilities				
Financial Liabilities at Fair Value through Profit & Loss	-4	0	0	-4
Financial Liabilities at Amortised Cost	-256	0	0	-256
Total Financial Liabilities	-260	0	0	-260
Net Financial Assets	93,921	2,471,707	963,555	3,529,183

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Reconciliation of Movement in Level 3 financial Instruments

	UK Equities	Pooled Private Equity Funds	Pooled Property Funds	Pooled Infrastructure Funds	Pooled Private Debt Funds	Multi Asset Credit Funds	Long-Term Investments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Market Value 31 March 2024	504	246,528	315,717	181,224	68,410	150,332	840
Transfers In							
Transfers Out							
Purchases		123,680	14,259	26,137	22,508		
Sales		-29,347	-6,169	-8,608	-1,572		
Unrealised Gains/(Losses)	-89	-89,405	1,497	2,498	1,500	12,648	
Realised Gains/(Losses)		9,891	593	-146	0		
Market Value 31 March 2025	415	261,347	325,897	201,105	90,846	162,980	840

	UK Equities	Pooled Private Equity Funds	Pooled Property Funds	Pooled Infrastructure Funds	Pooled Private Debt Funds	Multi Asset Credit Funds	Long-Term Investments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Market Value 31 March 2023	679	218,892	276,454	130,261	40,443	134,500	840
Transfers In	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0
Purchases	0	61,376	65,019	57,268	29,239	0	0
Sales	0	-36,444	-8,476	-7,288	-847	0	0
Unrealised Gains/(Losses)	-175	-16,431	-16,291	1,088	-425	15,832	0
Realised Gains/(Losses)	0	19,135	-989	-105	0	0	0
Market Value 31 March 2024	504	246,528	315,717	181,224	68,410	150,332	840

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Level 3 Sensitivities

Level 3 Investments	Valuation Range +/-	Value at 31 March 2025 £'000	Valuation on Increase £'000	Valuation on Decrease £'000
UK Equities	10%	415	457	374
Pooled Private Equity Funds	10%	261,347	287,482	235,213
Pooled Property Funds	3%	325,897	335,675	316,121
Pooled Infrastructure Funds	5%	201,105	211,161	191,050
Pooled Private Debt Funds	5%	90,846	95,388	86,304
Multi Asset Credit Funds	5%	162,980	171,129	154,831
Long-Term Investments	0%	840	840	840

Level 3 Investments	Valuation Range +/-	Value at 31 March 2024 £'000	Valuation on Increase £'000	Valuation on Decrease £'000
UK Equities	10%	504	555	454
Pooled Private Equity Funds	10%	246,528	271,181	221,875
Pooled Property Funds	3%	315,717	325,189	306,246
Pooled Infrastructure Funds	5%	181,224	190,285	172,162
Pooled Private Debt Funds	5%	68,410	71,831	64,990
Multi Asset Credit Funds	5%	150,332	157,848	142,815
Long-Term Investments	0%	840	840	840

Note 26 - Risk

The Pension Fund is subject to risk in terms of its key responsibility to meet the pension liabilities of the scheme members as they become due. These risks relate to the value of both the assets and the liabilities of the Fund and the timing of when the payment of the liabilities becomes due.

At a strategic level, the main tools used by the Pension Fund to manage risk are:

- The triennial Fund Valuation which reviews the assets and liabilities of the Fund, and resets employer contribution rates to target a 100% Funding Level. The 2022 Valuation estimated that the current Funding Level is 111%.
- The Investment Strategy Statement which sets out the Fund's approach to the investment of funds, and sets out the approach to the mitigation of investment risk.
- The review of the Strategic Asset Allocation to ensure it is appropriately aligned to the Fund's liability profile and to ensure compliance with the Investment Strategy Statement.
- The regular review of the performance of all Fund Managers.

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Key elements of the approach to managing the investment risk as set out in the Investment Strategy Statement include:

- Maintaining an element of the asset allocation in assets such as fixed income securities, the behaviour of which closely mirrors that of the Fund's liabilities. The allocation to liability matching assets is regularly reviewed with the intention that the allocation will increase as the maturity of the fund increases, as was the case following the 2016 valuation. Whilst the Fund maintains a high proportion of active members where the payment of liabilities is not due for many decades and remains cashflow positive, the Fund can afford to seek the higher investment returns associated with the more volatile and illiquid asset classes.
- Maintaining an element of the asset allocation in passive equity funds which removes the risk associated with poor manager performance (though retaining the market risk).
- Ensuring a diversification amongst asset classes, and in particular an allocation to alternative asset classes for which performance has historically not correlated to equity performance.
- Ensuring a diversification of Fund Managers and investment styles (e.g. some with a growth philosophy, some with a value philosophy) to mitigate the risk of poor manager performance impacting on asset values.
- The Fund's policy on ensuring Environmental Social & Governance factors are taken into account in investment decisions. During 2019/20 the Fund developed a Climate Change Policy dealing with how it will manage climate change related risks and opportunities. The policy was developed as the Fund sees climate change as single most significant risk to long-term investment performance given its systemic nature.

The key risks associated with the level of liabilities stem from the level of initial pension benefit payable, the indexation of this benefit and the time the benefit is in payment for. These risks largely lie outside the control of the Pension Fund. Changes to the scheme were made in 2014 with the aim of making the scheme more sustainable including; linking the normal retirement age to future estimates of life expectancy to bring stability to the length of time benefits are in payment, a change in the calculation of benefits to career average revalued earnings to avoid the sudden hike possible in final benefits possible under a final salary scheme, and a switch in the basis of indexation to CPI which is generally lower than the RPI alternative.

The Actuary, when completing the 2022 Valuation, undertook sensitivity analysis calculations to look at the impact on potential liabilities and the funding level. A variation of 0.1% per annum in the discount rate would move the calculated funding level from 111% down to 109% or up to 113%. A change in the CPI assumption of 0.2% per annum would lead to a reduction in the funding level to 108% or an increase to 115%. A change to the rate of mortality improvement of 0.25% would move the funding level down to 110% or up to 112%.

In terms of the investment in the various Financial Instruments open to the Pension Fund, the Fund is exposed to the following risks:

- Credit risk – the possibility of financial loss stemming from other parties no longer being able to make payments or meet contractual obligations to the Pension Fund.

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- Liquidity Risk – the possibility that the Pension Fund might not have the funds available to meet its payment commitments as they fall due.
- Market Risk – the possibility that the Pension Fund may suffer financial loss as a consequence of changes in such measures as interest rates, market prices, and foreign currency exchange rates.

Credit Risk

The Pension Fund's credit risk is largely associated with the Fund's investments in Fixed Interest and Index Linked Securities, Cash Deposits and Short Term Loans, where there is a risk that the other parties may fail to meet the interest or dividend payments due, or fail to return the Fund's investment at the end of the investment period.

At 31 March 2025 the Fund's exposure to credit risk predominantly related to the following investments:

Investment Category	31 March 2024 £'000	31 March 2025 £'000
UK Corporate Bonds	135,566	141,217
UK Index Linked Gilts	229,819	206,005
Multi Asset Credit Funds	150,332	162,980
Non-Sterling Cash Deposits	5,753	7,557
Cash Balances	58,920	62,543
Loans	0	15,000
Total	580,390	595,302

The Pension Fund manages the credit risk by ensuring a diversification of investments both in terms of product and in terms of redemption dates, whilst limiting investments made to sub-investment grade bonds to those made through pooled funds. Corporate Bonds are held through a pooled fund vehicle and up to 15% of holdings can be invested in sub-investment grade bonds. Cash held in sterling at 31 March 2025 was deposited in short-term notice cash accounts and money market funds as shown in the table below:

	Rating	Balance at 31 March 2024 £'000	Rating	Balance at 31 March 2025 £'000
Money Market Funds				
Aberdeen Standard	AAA	7,420	AAA	25,000
State Street Global Advisors	AAA	56,181	AAA	42,712
Bank Current Accounts				
Lloyds Bank Plc	A+	340	AA-	1,446
Santander UK Plc	A+	5	A+	0
State Street Bank & Trust Co	AA+	727	AA+	942
Total		64,673		70,100

The Pension fund has no experience of default against which to quantify the credit risk against the current investments.

Liquidity Risk

Liquidity risk represents the risk that the Fund will be unable to meet its financial obligations as they fall due. At the present time, the liquidity risk is seen, relatively, as the greatest threat to the Pension Fund, although the absolute risk itself is still seen to be very low, particularly in the short term.

During 2024/25 the Pension Fund received/accrued income related to dealings with members of £167.0m (2023/24 £153.2m) and incurred expenditure related to dealings with members of £172.5m (2023/24 £149.6m). There were further receipts/accruals of £29.5m (2023/24 £24.3m) in respect of investment income, against which need to be set taxes of £0m (2023/24 £0m). The net inflow was therefore £24.0m (2023/24 £27.9m).

The figures show that the Fund is still cashflow positive at the whole fund level. A cash flow forecast is maintained for the Fund to understand and manage the timing of the Fund's cash flows. On a daily basis, the Fund holds a minimum of £40m of cash in call accounts and money market funds to meet benefit payments due, drawdowns from fund managers, and other payments due from the Fund. The Fund has also looked at longer-term cashflow forecasts to gain a greater understanding of when the balance of pension payments and contributions may become negative so as to consider how this may affect the Fund's investment strategy in the future. The Fund has already taken some steps in this regard including allocating to the Secured Income portfolio offered by Brunel Pension Partnership.

The Fund would need to experience a significant change in either the levels of contributions received, and/or the levels of benefits payable, as well as the loss of all current investment income, before it might be required to liquidate assets at financial loss.

There are risks in this area going forward as a result of continuing reductions in public expenditure, and the resulting impact on active scheme membership. The reductions in public sector expenditure will impact on the liquidity of the Pension Fund both in terms of a reduction in contributions receivable as the workforce shrinks, as well as an increase in benefits payable as staff above the age of 55 are made redundant and become entitled to early payment of their pension. There are changes to the Scheme being consulted on that could impact on scheme membership levels although these changes would be expected to impact gradually over time. In addition, some employers are adopting models that have the potential to reduce scheme membership.

However, as noted above, for the Fund to reach a position where it is forced to sell assets and therefore face a potential financial loss, (as well as to forego future investment returns which have been assumed to meet pension liabilities in the future), the net movement in cash would need to be of a scale deemed unlikely in the medium-term. The Pension Fund will seek to mitigate these risks through working with employers to understand the potential for any significant membership changes and by monitoring the fund's cashflows. The fund will also provide advice to the Government on the impact of any proposals for change, as well providing clear communication to current scheme members of the on-going benefits of scheme membership and the personal risks to their future financial prospects of opting out at this time.

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Market Risk

The whole of the Pension Fund's investment asset base is subject to financial loss through market risk, which includes the impact of changes in interest rates, movements in market prices and movements in foreign currency rates. However, as noted above under the liquidity risk, these financial losses are not automatically realised, as all assets held by the Pension Fund are done so on a long-term basis. Subject to the liquidity risk above, it is likely to be many years into the future before any assets will be required to be realised, during which time market risk will have the opportunity to even itself out.

Market risk is generally managed through diversification of investments within the portfolio in terms of asset types, geographical and industry sectors, and individual securities.

Whilst widespread recession will drive down the value of the Fund's assets and therefore funding level in the short term, this will have no direct bearing on the long-term position of the Fund, nor the contribution rates for individual employers. Under the LGPS Regulations, the Fund Actuary is required to maintain as near stable contribution rate as possible, and as such the Valuation is based on long term assumptions about asset values, with all short-term movements smoothed to reflect the long-term trends.

Interest Rate Risk

The direct exposure of the fund to interest rate risk and the impact of a 100 basis point movement in interest rates are presented in the table below. This analysis assumes that all other variables remain constant:

Asset Type	Carrying Amount as at 31 March 2025 £'000	Change in Year in the Net Assets Available to Pay Benefits	
		1% £'000	-1% £'000
Cash and Cash Equivalents	7,557	76	-76
Cash Balances	62,543	625	-625
Bonds	347,221	3,472	-3,472
Multi Asset Credit Funds	162,980	1,630	-1,630
Loans	15,000	150	-150
Total Change in Assets Available	595,301	5,953	-5,953

Asset Type	Carrying Amount as at 31 March 2024 £'000	Change in Year in the Net Assets Available to Pay Benefits	
		1% £'000	-1% £'000
Cash and Cash Equivalents	5,753	58	-58
Cash Balances	58,920	589	-589
Bonds	365,385	3,654	-3,654
Multi Asset Credit Funds	150,332	1,503	-1,503
Total Change in Assets Available	580,390	5,804	-5,804

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In the short term, interest rate risk is difficult to quantify in that it impacts directly on both the price of fixed interest and index linked securities as well as the discount factor used to value liabilities. Increases in interest rates which will drive down security prices and asset values will also reduce the future pension liabilities and therefore improve funding levels rather than worsen them.

Currency Risk

Currency risk concerns the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund is exposed to foreign exchange risk on financial instruments that are denominated in currencies other than the Fund's functional currency (£GBP).

The table below shows the impact a 10.0% weakening/strengthening of the pound against the various currencies would have on the assets available to pay benefits.

This analysis assumes that all other variables remain constant.

Currency Exposure - Asset Type	Asset Values as at 31 March 2025	Change in Year in the Net Assets Available to Pay Benefits	
	£'000	10.00% £'000	-10.00% £'000-
Overseas Equities	317	32	-32
Pooled Global Equities	1,572,791	157,279	-157,279
Pooled Private Equity (LLPs)	200,497	20,049	-20,049
Pooled Property	58,281	5,828	-5,828
Infrastructure	28,659	2,866	-2,866
Cash	6,628	663	-663
Total Change in Assets Available	1,867,173	186,717	-186,717

Currency Exposure - Asset Type	Asset Values as at 31 March 2024	Change in Year in the Net Assets Available to Pay Benefits	
	£'000	10.00% £'000	-10.00% £'000-
Overseas Equities	324	32	-32
Pooled Global Equities	1,596,696	159,670	-159,670
Pooled Private Equity (LLPs)	193,353	19,336	-19,336
Pooled Property	63,541	6,354	-6,354
Infrastructure	51,910	5,191	-5,191
Cash	5,753	575	-575
Total Change in Assets Available	1,911,577	191,158	-191,158

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Other Price Risk

Other price risk represents the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or foreign exchange risk.

All investments in securities present a risk of loss of capital. The maximum risk is the fair value of the financial instrument.

The effect of various movements in market price are presented in the table below along with the effect on total assets available to pay benefits assuming all other factors remain constant:

Asset Type	Value as at 31 March 2025 £'000	Percentage Change %	Value on Increase £'000	Value on Decrease £'000
UK Equities	197,044	10.0	216,749	177,340
Pooled UK Equities	392,830	10.0	432,113	353,547
Global Equities	317	10.0	349	285
Pooled Global Equities	1,572,791	10.0	1,730,070	1,415,512
Pooled Corporate Bonds	141,217	5.0	148,277	134,156
Infrastructure	201,105	5.0	211,161	191,050
Pooled Private Equity (LLPs)	261,347	10.0	287,482	235,213
Pooled Property	325,897	3.0	335,674	316,120
Multi Asset Credit Fund	162,980	5.0	171,129	154,831
Index Linked Pooled Fund	206,005	5.0	216,305	195,704
Private Debt	90,846	5.0	95,388	86,304
Long-Term Investments	840	0.00	840	840
Cash	70,100	0.00	70,100	70,100
Loans	15,000	0.00	15,000	15,000
Total Assets Available to Pay Benefits	3,638,319		3,930,637	3,346,002

Asset Type	Value as at 31 March 2024 £'000	Percentage Change %	Value on Increase £'000	Value on Decrease £'000
UK Equities	177,319	10.0	195,051	159,587
Pooled UK Equities	359,128	10.0	395,040	323,215
Global Equities	324	10.0	356	292
Pooled Global Equities	1,596,696	10.0	1,756,366	1,437,027
Pooled Corporate Bonds	135,566	5.0	142,344	128,788
Infrastructure	181,224	5.0	190,285	172,162
Pooled Private Equity (LLPs)	246,528	10.0	271,181	221,875
Pooled Property	315,717	3.0	325,188	306,245
Multi Asset Credit Fund	150,332	5.0	157,848	142,815
Index Linked Pooled Fund	229,819	5.0	241,310	218,328
Private Debt	68,410	5.0	71,831	64,990
Long-Term Investments	840	0.00	840	840
Cash	64,673	0.00	64,673	64,673
Total Assets Available to Pay Benefits	3,526,576		3,812,313	3,240,837

The Local Government Pension Fund Accounts

Note 27 - Actuarial Valuation

The contribution rates within the 2024/25 Pension Fund Accounts were determined at the actuarial valuation carried out as at 31 March 2022.

This valuation showed that the required level of contributions to be paid to the Fund by the County Council for the year ended 31 March 2025 was 19.9% of Pensionable Pay. The corresponding rates of contribution that are required from the major participating employers for this period are:

	% Pay	Additional Monetary Amounts £'000
South Oxfordshire District Council	17.8	411
West Oxfordshire District Council	17.6	766
Cherwell District Council	15.9	-
Oxford City Council	13.4	-
Vale of White Horse District Council	17.8	767
Oxford Brookes University	19.2	-

The funding policy of the scheme is set out in the Funding Strategy Statement and can be summarised as follows:-

- To enable Employer contribution rates to be kept as stable as possible and affordable for the Fund's Employers.
- To make sure the Fund is always able to meet all its liabilities as they fall due.
- To manage Employers' liabilities effectively.
- To enable the income from investments to be maximised within reasonable risk parameters.

The actuarial method used to calculate the future service contribution rate for Employers was a risk-based approach. The risk-based approach uses an Asset Liability Model to project each employer's future benefit payments, contributions and investment returns into the future under 5,000 possible economic scenarios. Future inflation (and therefore benefit payments) and investment returns for each asset class (and therefore asset values) are variables in the projections.

By projecting the evolution of an employer's assets and benefit payments 5,000 times, a contribution rate can be set that results in a sufficient number of the future projections being successful i.e. meeting the funding target by the funding time horizon.

The market value of the Fund's assets at the 2022 valuation date was £3,280m representing 111% of the Fund's accrued liabilities, allowing for future pay increases. The Actuary has certified contribution rates for all Fund employers from 1 April 2023 which, subject to the financial assumptions contained in the valuation, would result in the deficit being recovered over a period of no more than 20 years.

The Local Government Pension Fund Accounts

The main financial assumptions were as follows:

Assumptions for the 2022 Valuation	Annual Rate
	%
Pension Increases	2.7
Salary Increases	2.7
Discount Rate	4.6

Assumptions are also made on the number of leavers, retirements and deaths. One of the important assumptions is the mortality of existing and future pensioners. Mortality rates have been based on up to date national standard tables adjusted for the recent experience of the Oxfordshire County Council Pension Fund and make allowance for an expectation of further improvements in mortality rates in the future.



Fire Fighters' Pension Fund Accounts



**OXFORDSHIRE
COUNTY COUNCIL**

Fire Fighters' Pension Fund

Fund Account	2023/24 £'000	2024/25 £'000
Contributions Receivable		
From Employer:		
Normal	-3,474	-4,762
Early Retirements	0	0
Other (ill health retirement contribution)	-132	-111
Other (Refund of employee contributions)	0	-53
From members	-2,037	-1,690
	-5,643	-6,616
Transfers In		
Other (Interest on contribution adjustment)	0	-4
Other (Remedy compensation payments)	0	-131
	0	-135
Benefits Payable		
Pensions	6,631	7,423
Commutations and lump sum retirement benefits	400	1,015
Lump sum death benefits	970	550
Other (ill health lump sums)	15	15
	8,016	9,003
Payments to and on account of leavers		
Refunds of contributions	0	5
Interest on contributions	0	1
Compensation for tax relief	0	13
Individual transfers out to other schemes	0	0
Other (Statutory Death Gratuities)	0	120
	0	139
Miscellaneous		
Annual Allowance Charge	0	0
Unauthorised Payment Charge	0	0
Taxable Refunds	0	0
Transfers values payable to other bodies	0	0
	0	0
Net amount payable/receivable for the year before top-up grant receivable / payable to sponsoring department		
	2,373	2,392
Top-up grant receivable	-2,373	-2,392
Net amount payable / receivable for the year	0	0

Net Assets Statement	2023/24 £'000	2024/25 £'000
Net Current Assets and Liabilities		
Contributions due from employer	0	0
Pension top-up grant receivable from sponsoring department	0	0
Other current Assets	0	0
Pension top-up grant payable to sponsoring department	-1,267	5,931
Other current liabilities (other than liabilities to pay pensions and other benefits in the future)	45	13
Cash balance	1,222	-5,944
Total	0	0

Fire Fighters' Pension Fund

Basis of Preparation

The fund reflects the financial arrangements relating to the 1992, 2006, 2015 and Retained Modified Firefighters Pension Schemes and the redress payments arising from the employee contribution holiday provision.

The financial arrangements for the Firefighters Pension Scheme 1992 were made in exercise of the power conferred by section 26 of the Fire Services Act 1947, for the Firefighters Pension Scheme 2006 and the Firefighters Pension Scheme 2015 by the power conferred by section 34 of the Fire Services Act 2004. The accounts have been prepared in accordance with the requirements of the above powers.

Payment of the employers and employees' contributions towards pension

liabilities Fire & Rescue Authorities are required to make a payment into their pension fund of 4x average pensionable pay in respect of all higher tier ill health retirements and 2x average pensionable pay in respect of all lower tier ill-health retirements. As the number of firefighters who retire on grounds of ill health varies from year to year and will cause financial volatility authorities are required to spread the charges over a period of 3 years.

Central government top-up grant

The fund is operated on the principle that employer and employee contributions together meet the full cost of pension liabilities accrued from future employment and central government (Home Office) meet the costs of paying pensions to retired Firefighters, net of the employee and employer contributions, by means of a top-up grant.

There are no investment assets held by the fund and where employer and employee contributions paid into the pension fund are not sufficient to meet pension payments for that year, the deficit will be met by central government top-up grant. Any surplus in the pension fund is paid back to central government.

Administration and Management

The fund is administered and managed by Oxfordshire County Council staff whose time is not rechargeable to the fund.

Benefits

The funds accounts do not take account of liabilities to pay pensions and other benefits after the year end.

Membership

The following summarises the membership of the fund as at 31 March 2025.

Membership numbers	1992 Scheme	2006 Scheme	2015 Scheme
Contributors	0	0	540
Preserved Pensions	35	509	363
Pensioners	337	97	20
Total	372	606	923

Long-term pension obligations

Details of the County Council's long-term pension obligations in respect of fire-fighters can be found in the Retirement Benefits Note 17 to the core financial statements.



Oxfordshire County Council

Annual Governance Statement 2024/2025



**OXFORDSHIRE
COUNTY COUNCIL**

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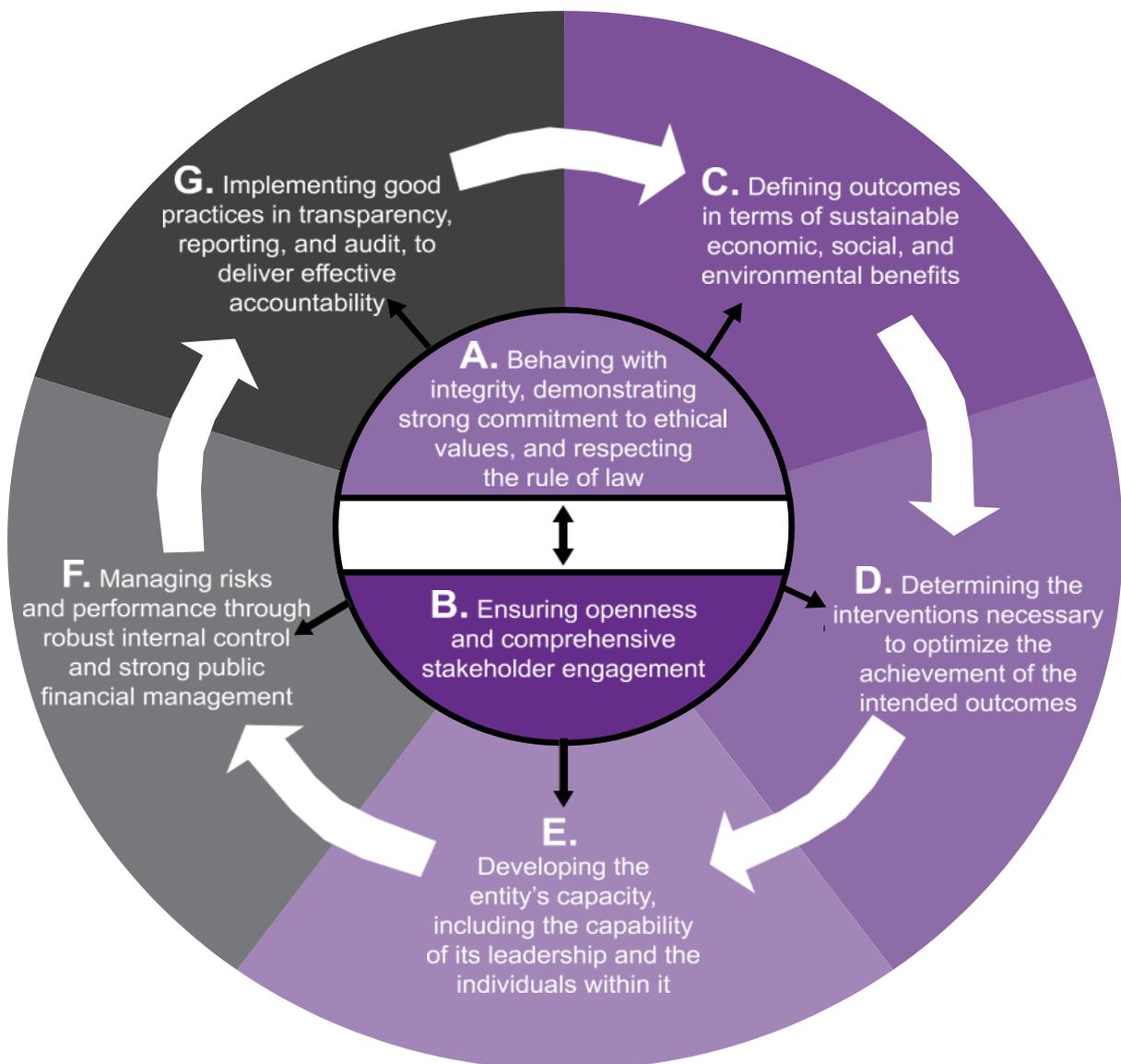
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Introduction

1. Oxfordshire County Council is obliged to ensure it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives; ensure that the financial and operational management of the authority is effective; and includes effective arrangements for the management of risk.
2. The purpose of the 2024/25 annual governance statement is to offer a comprehensive overview of the organisational frameworks and practices that ensure adherence to the principles of good governance as outlined by CIPFA Solace. The statement should provide transparency and accountability in decision-making processes, demonstrate robust internal controls, and promote ethical behaviour across all levels of the organisation. Additionally, the statement should provide insights into risk management strategies designed to mitigate potential challenges, outline the effectiveness of stakeholder engagement, and describe how the organisation fosters a culture of continuous improvement. The statement should also reflect on the mechanisms in place for monitoring and reviewing governance performance and highlight any significant changes or developments in the governance structure during the year.
3. In accordance with the Regulation 6 of the Accounts and Audit Regulations 2015, the council has conducted a review of the effectiveness of its system of internal control in accordance with proper practice as set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice: Delivering Good Governance in Local Government (2016).
4. Whilst supporting the Council's arrangements for risk management, the governance framework cannot eliminate all risk to the achievement of policies, aims and objectives and this review can therefore only provide reasonable and not absolute assurance of effectiveness.
5. Similarly, this review provides assurance that the council has in place appropriate processes to ensure transparency and democratic oversight in decision making.
6. This statement is guided by CIPFA Advisory Note One, "Understanding the Challenge to Local Authority Governance" (March 2022) and describes the council's governance framework, the steps that have been taken to ensure that it is effective and establishes key actions that will be put in place to ensure the ongoing effectiveness of the council's arrangements.
7. The review reflects enquiries made of officers with relevant knowledge, experience, and expertise. The review has been undertaken in consultation with the Council's Head of Paid Service, the Monitoring Officer, and the Executive Director of Resources (Section 151 Officer).

Governance Framework

8. The governance framework at Oxfordshire County Council comprises the systems and processes, culture, and values which the council has adopted in order to deliver on the principles in the below diagram, (as taken from the [International Framework: Good Governance in the Public Sector](#) (CIPFA/IFAC, 2014) (the 'International Framework')). This illustrates the various principles of good governance in the public sector and how they relate to each other).
9. The council has a separate code of governance, "[the Oxfordshire Code of Corporate Governance](#)" which is consistent with the principles of the CIPFA/SoLACE framework (2016). This is updated each year, approved by the Audit & Governance Committee and evidence actively collated and assessed for compliance. Compliance with the code was reported to the Audit and Governance Committee on 12 March 2025.

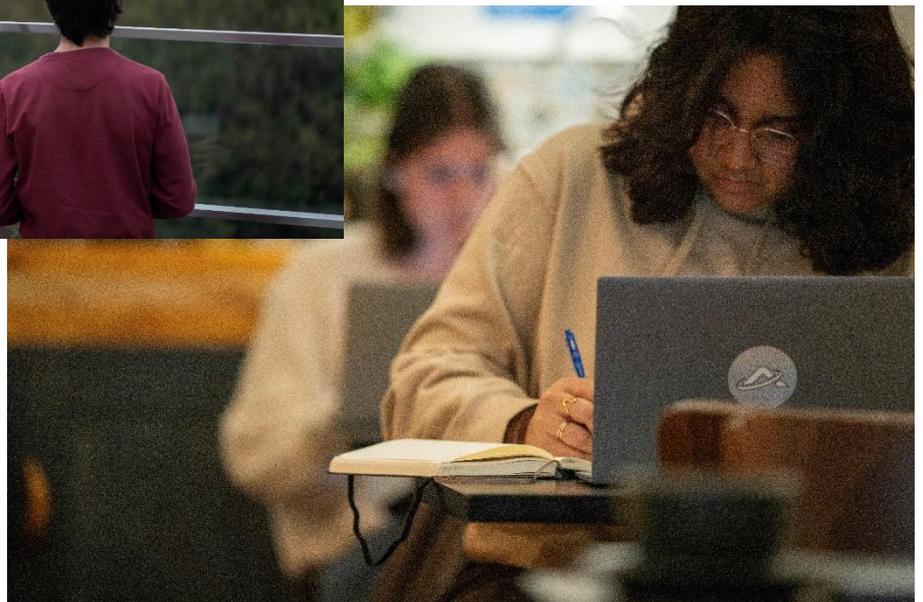


Governance Framework

10. This Statement provides:

- a) An *opinion* on the Council's governance arrangements from the Council's Senior Officers, and signed by the Chief Executive and Leader of the Council
- b) A review of the *effectiveness* of the Council's governance arrangements during 2024/25
- c) A *conclusion* in relation to the effectiveness of the Council's governance arrangements
- d) A review of the *action plan* completed in 2024/25
- e) An *action plan* for 2025/26
- f) An *annex* summarising the Council's governance framework.

11. As previously stated, the Annual Governance Statement is required by Regulation 6 of the Accounts and Audit Regulations 2015 and follows the best practice guidance from the Chartered Institute of Public Finance and Accounting.



Assurance Statement

Assurance Statement

12. It is our opinion that the Council's governance arrangements in 2024/25 were adequate and provide a platform for achieving the Council's priorities and challenges in 2025/26.

Signatures

Signed on behalf of Oxfordshire County Council:



Martin Reeves
Chief Executive



Councillor Liz Leffman
Leader of the Council

Reviewing Our Effectiveness During 2024/25

Overview and review of overall effectiveness

13. The Council reviewed its overall effectiveness through an assessment of governance in all Services in late 2024 / early 2025. This required Directors to each work with their Leadership Teams to assess the level of assurance that they had in their service area regarding colleagues' awareness and compliance in the following areas:
- a) General Corporate Governance
 - b) Business Continuity
 - c) Customer Focus
 - d) Finance and Financial Management
 - e) Health and Safety
 - f) Human resources & Organisational Development
 - g) Information, Technology, Innovation and Digital
 - h) Information Services
 - i) Legislation
 - j) Performance Management
 - k) Procurement and contract management
 - l) Property and security
 - m) Risk Management
14. In addition to these assurance surveys, corporate lead statements were produced by service leads describing the governance in place during the 2024/25 year and highlighting areas of focus for 2025/26. Statements were produced for areas as noted above at paragraph 13.
15. The Council's Corporate Governance Assurance Group (CGAG), an officer working group, chaired by the Director of Law & Governance and Monitoring Officer, will monitor any areas of focus throughout the year.
16. Any areas where issues were identified for development or improvement have been considered and will form part of the action plan for 2025/26.
17. In relation to the completion of the action plan for 2024/25, five of the seven action points were completed, with two requiring further work to be undertaken during 2025/26. The status of these actions is outlined in **Annex 1**. The progress on these actions was reported to the Audit and Governance Committee throughout the year.
18. Specific action points for 2025/26 are set out in **Annex 2**. The Council believes these actions will help to establish some improved practices arising out of its active learning and experience in 2024/25.
19. Details of how the Council's governance proved effective during 2024/25 can be found under the Service Issues section below (paragraph 66 onwards).

Governance Actions – Review of 2024/25 and priorities for 2025/26

20. The two annexes to this Annual Governance Statement summarise:

Annex 1: updates on the priority actions for 2024/25

Annex 2: actions for 2025/26

21. The Actions for 2024/25 in **Annex 1** highlight certain aspects of emerging governance that might not otherwise be apparent from work regularly reported to the Council's Audit & Governance Committee. As such, progress reports on these actions are reported to the Committee through the year. The Actions for 2025/26 in **Annex 2** will be monitored by the Corporate Governance Assurance Group (CGAG), and the Audit & Governance Committee.

22. Other governance and audit activity across the Council will continue to be reported to the [Audit & Governance Committee](#) through its normal work programmes

Governance in Outline

23. **Annex 3** sets out the Council's governance framework in outline. This framework was reviewed and updated in March 2025, by the Corporate Governance Assurance Group (CGAG).



Our Ambitions and People



Our strategic plan 2023 – 2025

24. The Council’s strategic plan 2023 – 2025 sets out a vision to lead positive change by working in partnership to make Oxfordshire a greener, fairer, and healthier county.
25. The strategic plan sets out nine cross-cutting priorities and commitments to achieve the vision and the areas of focus. Our nine priorities are:
- i. Put action to address the climate emergency at the heart of our work.
 - ii. Tackle inequalities in Oxfordshire.
 - iii. Prioritise the health and wellbeing of residents.
 - iv. Support carers and the social care system.
 - v. Invest in an inclusive, integrated and sustainable transport network.
 - vi. Preserve and improve access to nature and green spaces.
 - vii. Create opportunities for children and young people to reach their full potential.
 - viii. Play our part in a vibrant and participatory local democracy.
 - ix. Work with local businesses and partners for environmental, economic and social benefit.

Reviewing Our Effectiveness During 2024/25

26. The plan sets out how the Council aims to achieve each priority and ways in which it will work with partners to create a more joined-up approach to delivering services.
27. Performance in delivering the overall strategy, including progress towards targets, supporting performance measures and budget, are reviewed regularly and communicated through the county council's business management and monitoring reports (BMMR).
28. The reports are then reviewed by the council's strategic leadership team, Cabinet, and by the Performance and Corporate Services Overview and Scrutiny Committee.



DELIVERING

the Future Together

Delivering the Future Together 2024/25

29. Over the past twelve months, Delivering the Future Together has evolved from a standalone programme of work into our internal vision for success and underpins everything we do.
30. We are on a journey to Deliver the Future Together and become an employer, partner and place shaper of choice. We are united in our commitment to support Oxfordshire's communities and help make the county a greener, fairer and healthier place.
31. Our five values underpin how we work with one another, with our partners and our residents:
- a) Always Learning.
 - b) Daring to do it differently.
 - c) Be kind and care.
 - d) Equality and Integrity in all we do.
 - e) Taking Responsibility.
32. Our network of more than 200 Delivering the Future Together Champions represents every service area. They are ambassadors for our values and help champion new ways of working.
33. To learn about our recent achievements and the difference we are making, [read our latest annual report](#). Some of recent highlights in 2024/25 include:
- a) Becoming a Council of Sanctuary, recognising our commitment to supporting refugees and asylum seekers.
 - b) Launching our Energy Saver App, helping residents save on their energy bills and reduce household emissions.
 - c) Holding our first citizens' assembly, bringing residents together to tackle the county's transport challenges.
 - d) Transforming our customer services by introducing Zoom.
 - e) Being one of the first councils to sign UNISON's anti-racism charter

Reviewing Our Effectiveness During 2024/25

Our statutory governance roles

34. The Council is required to appoint to three specific posts, each of which oversees a key aspect of the Council's governance.
- i. **Head of the Paid Service** (HOPS) role; responsible for how the Council's functions are delivered, and the appointment and proper management of staff.
 - Throughout 2024/25 this has been and remains **Martin Reeves, Chief Executive**.
 - ii. **Monitoring Officer** – and the Council's Director of Law and Governance and Monitoring Officer, throughout 2024/25 has been and remains **Anita Bradley**.
 - iii. **'Section 151 Officer'** – the Chief Finance Officer, and Executive Director of Resources, throughout 2024/25 has been and remains **Lorna Baxter**: responsible for the financial management of the authority.

Deputy Chief Executives

35. The following two Executive Director roles are identified as Deputy Chief Executives providing direct support to the Chief Executive.
36. The **Executive Director of People & Transformation** and The **Executive Director of Resources**.
37. Each of the above postholders are an integral member of the Council's Strategic Leadership Team (SLT). As such, they are fully sighted on the Council's objectives, workstreams and emerging plans; and their perspectives and voices continue to be heard in, and to influence, this senior forum. In line with best practice, the Chief Finance Officer and the Monitoring Officer report directly to the Chief Executive.
38. The Executive Director of Resources and the Monitoring Officer both have open access to the Chief Executive at all times and meet regularly as statutory officers, together with the Executive Director of People & Transformation. The Executive Director of Resources and the Monitoring Officer carry a statutory responsibility to report issues to the Council, if needed. As such, these posts remain pivotal to the Council's good governance.
39. In July 2024 Lawyers in Local Government (LLG), CIPFA and SOLACE launched a new Code of Practice on Good Governance for Local Authority Statutory Officers following an extensive consultation process with the sector. The Code of Practice for Good Governance sets out expectations for the Chief Executive, Chief Financial Officer, and the Monitoring Officer in local authorities. The Code aims to support these roles to work effectively together and deliver good governance. They must recognise their responsibilities, understand the separation of powers, and display good governance. As

Reviewing Our Effectiveness During 2024/25

there are higher expectations from individuals in these roles, the Code considers the seven Nolan Principles in conjunction with the “Golden Triangle”¹ to advise and guide them. The Seven Principles of the Golden Triangle are as follows:

- a) Respect Roles and Responsibilities
- b) Act Wisely: A duty of enquiry and the exercise of statutory functions
- c) Be Robust in working arrangements
- d) Resource up: Get the tools to do the job
- e) Build resilience: Appointing Deputies
- f) Champion good decision making
- g) Effective Oversight: External companies and entities of the authority

40. The Council considers that it meets all the Principles and Best Practice set out in the Code and will continue to undertake an annual self-assessment against the Code.

Strategic Leadership Team

41. In February 2024 following a review of the leadership structure of the Council, a decision was taken to extend the membership of the Strategic Leadership Team (SLT) to include all Service Directors. In turn this led to the decision to stand down the Council Management Team (CMT) which was established in 2023. The refreshed SLT comprising the fifteen most senior leaders will assume responsibility for the business previously taken through CMT, through a revised SLT Business process.

Risk Management

42. Throughout 2024/25 the Executive Director of Resources & Section 151 Officer had overarching responsibility for risk management. This function is led by the Head of Insight and Corporate Programmes and managed on a day-to-day basis by the Performance and Insight Team Leader.

43. The [Risk and Opportunities Management Strategy](#) was approved by the Audit and Governance committee and published in May 2023. This Strategy was developed with considerable input from SLT.

44. The Strategy is the foundation for the Council’s approach to risk and opportunity management for the performance and risk management environment. This strategy is reviewed and updated where necessary on an annual basis. As well as collectively owning and supporting, the Strategic Leadership Team (SLT) worked closely with the performance and Insight team to help implement the Strategy and embed risk

¹ The Golden triangle is the trio of statutory officers at the top of a local authority – the Head of Paid Service (typically the CEO), The s151 officer (typically the CFO or Director of Finance), and the Monitoring Officer. These roles are crucial for the governance and decision-making processes within a local authority – LLG.

Reviewing Our Effectiveness During 2024/25

management in the Council's everyday business delivering against the strategic priorities.

45. This strategy outlines the process of Identification, Assessment, Managing and Controlling and Review and Reporting of risks across the council. The following systems/mechanisms to ensure internal control have been in place throughout 2024/25 and are captured within the Strategy.



46. Cabinet is responsible for approving the Risk and Opportunities Management Strategy. The Audit and Governance Committee considered the draft Strategy and provided input and comments to Cabinet ahead of its approval. The Head of Insight and Corporate Programmes and Performance Team Leader supports the Group and services giving assurance around the escalation process into the Strategic risk register as necessary. The services are responsible for their operational risk registers.
47. The Performance and Insight team leader is working across all services, completing health checks to identify training needs and embed risk awareness and understanding of escalation and the link with 4-year business planning cycle.

Internal Audit in 2024/25

48. The 2019 CIPFA Statement on the "Role of the Head of Internal Audit in public service organisations" outlines the principles that define the core activities and behaviours that belong to the role of the 'Head of Internal Audit' and the governance requirements needed to support them. The Council's arrangements conform with the governance requirements of the CIPFA statement with our Chief Internal Auditor carrying out the following:

Reviewing Our Effectiveness During 2024/25

- a. objectively assessing the adequacy and effectiveness of governance and management of risks, giving an evidence-based opinion on all aspects of governance, risk management and internal control
 - b. championing best practice in governance and commenting on responses to emerging risks and proposed developments.
 - c. being a senior manager with regular and open engagement across the organisation, particularly with the leadership team and with the audit committee.
 - d. leading and directing an internal audit service that is resourced appropriately, sufficiently, and effectively.
 - e. being professionally qualified and suitably experienced.
49. The Internal Audit Service operates in accordance with the Public Sector Internal Audit Standards (PSIAS). The self-assessment against the standards is completed on an annual basis. It is a requirement of the PSIAS for an external assessment of internal audit to be completed at least every five years. This took place in November 2023 and the results were reported to the Audit & Governance Committee in January 2024. This confirmed that the “service fully conforms to the requirements of the standards. There were no areas of either partial or non-conformance with the standards identified and no recommendations arising. From April 2025 the Public Sector Internal Audit Standards will be replaced by the Global Internal Audit Standards in the UK Public Sector.
50. The Chief Internal Auditor prepared an Annual Report on the work of Internal Audit which concludes for the 12 months ended 31 March 2025, there is satisfactory assurance regarding Oxfordshire County Council's overall control environment and the arrangements for governance, risk management and control. Where issues have been identified through internal audit review, they have worked with management to agree appropriate corrective action and timescale for improvement.
51. As part of governance arrangements between Oxfordshire County Council and the Hampshire Partnership/Integrated Business Centre (IBC), Hampshire provide annual assurance on the adequacy and effectiveness of governance, risk management and control from the work carried out via the IBC. This is provided through a commissioned Service Organisation Controls review under ISAE 3402. (International Auditing and Assurance Standards Board –which provides a framework for reporting on the design and compliance with control objectives related to financial reporting). The report for 2024/25 concludes that the key financial system controls were suitably designed and operated effectively, with no exceptions noted.
52. Where Internal Audit identifies areas for improvement, management action plans are in place and are routinely monitored by the Internal Audit team and the Audit Working Group. Managers are required to provide positive assurance that actions have been implemented; performance on implementation is high, demonstrating that control weaknesses identified by Internal Audit are being addressed on a timely basis.

Financial Management Code ('FM Code')

53. A key goal of the Financial Management Code of Practice (launched by CIPFA in November 2019) is to improve the financial resilience of organisations by embedding enhanced standards of financial management. In accordance with the CIPFA Financial Management (FM) Code, local authorities should disclose compliance with the FM Code in the AGS and identify any outstanding areas for improvement or change.
54. There are clear links between the FM Code and the Governance Framework, particularly with its focus on achieving sustainable outcomes. As set out in the council's Financial Strategy for 2025/26, an assessment has been made of the Council's current compliance with the Code for 2024/25 (See Annex 4).
55. The assessment identified that 15 of the 17 standards were assessed as green and two as amber meaning that compliance can be evidenced.
56. The two standards assessed as amber (see references A and E in the assessment at annex 4) are expected to be addressed through the council's Commercial Transformation Programme and the Business Services Transformation Programme and the council's strategy for data and insight.

Procurement and Contract Management

57. The Procurement Act 2023 received royal assent in October 2023 and came into force on 24 February 2025. This legislation is applicable to all new procurement activity from 24 February 2025 onwards. The procurement team and legal teams have attended training given by central government to ensure that they are all aware of the new legislation how it would apply to the Council's procurement activities. This knowledge and information is being shared with colleagues across the Council and the Contract Procedure Rules have been amended as necessary to be compliant with the change in legislation.
58. The Commercial Board was established in January 2024 to challenge and discuss all new tender requirements and contract renewals. Membership currently comprises the Director of Financial and Commercial Services (Chair), Head of Commercial and Procurement Service, Head of Legal and Governance or named substitute, Head of Law and Legal Business Partner (Contracts and Conveyancing), Head of Climate Action, Head of Highway Maintenance, Capital Programme Manager, Head of Innovation and Strategic Property Advisor (consultant). Services present tender requirements, contract renewals in excess of £1m and income generating opportunities to this group to ensure that the most commercial route forward is identified wherever possible. It also provides an opportunity to identify any cross-directorate synergy and opportunities not easily seen at operational level.

Customer Experience

59. The Customer Experience function can be split into two areas for governance, the Customer Service Centre (CSC) and the Continuous Improvement Team (CIT). Both areas have their own governance structure with overall responsibility from the CSC Management team which comprises the Director for Transformation, Digital and Customer Experience, Head of Customer Experience, Service Delivery Manager and Quality & Performance Manager.
60. The Council's operating model has determined that customer contact work should be assessed for self-service opportunities, automation and if any processes should be dealt with by the CSC and a transformation programme is in place. This aspect forms one part of the wider 'Improving the Customer Experience' strategy which is now embedded in the Council's transformation agenda.
61. As part of the new ways of working to deliver the future together, there is now an 'Improving the Customer Experience' programme board which is responsible for the development of the council's customer experience approach.

Devolution and Local Government Reorganisation

62. The council is addressing significant opportunities and challenges related to devolution and local government reorganisation.
63. In December 2024 the Government published the Devolution White Paper, outlining significant reforms to local government, marking the most substantial changes since the Local Government Act 1972. The paper advocates for the creation of new unitary authorities in two-tier areas like Oxfordshire and Strategic Authorities across England, with a strong emphasis on the mayoral model of devolution.
64. In January 2025 the Cabinet resolved to request a place on the local government reorganisation and devolution fast track programme, however in February 2025 the Government informed Oxfordshire County Council that it had not been successful in obtaining a place on the fast track and that elections would go ahead as scheduled on 1 May 2025. At the same time, the County Council and all other Councils in Oxfordshire were sent the statutory invitation to prepare proposals to reorganise local government across Oxfordshire. The Cabinet submitted three proposals to Government in March 2025, indicating a preference by the County Council for a single county unitary.
65. Oxfordshire County Council continues to work on its proposals for local government reorganisation and devolution to a new strategic authority. The timetable for local government reorganisation is tight, with final proposals due in November 2025, an expected decision in Spring 2026 from Government on the new structure for Oxfordshire, the creation of a shadow authority by April 2027, elections to the shadow

Reviewing Our Effectiveness During 2024/25

authority in May 2027, and the new authority becoming operational in April 2028. Whilst there is no fixed timetable for devolution it is expected that an initial proposal will be submitted by the Autumn 2025.

Service Issues

Human Resources

66. The Our People and Culture Strategy outlines the vision of the service which is “We develop and maintain a high performing, innovative, highly engaged and agile teams, employing the best people, and reflecting the communities we serve. We nurture an environment that supports diversity, equality and inclusion, and allows all our employees to bring their whole selves to work to deliver great services for our Oxfordshire residents.”
67. HR policies and procedures that aim to support staff and managers on workforce matters are available on the intranet. These policies are subject to regular review and are updated to ensure compliance with relevant legislation where applicable. As well as ensuring compliance with employment legislation the policies and procedures aim to reflect good employment practice and support fairness and consistency as part of our inclusive culture. The Our People and Culture Strategy consists of a programme of work to modernise and update existing policies and procedures and develop new policies and procedures to support current employment challenges to ensure managers are provided with more practical advice about their responsibilities for managing their teams and services.
68. A new recruitment applicant tracking system (ATS), Tribepad, was introduced in August 2024. All recruitment is now completed in house (previously through a self-service system called the Integrated Business Centre (IBC)). A new team has been recruited and are being trained to enhance and improve the new recruitment requirements of the organisation. The team are working to continuously enhance and improve the new processes as a second phase of the ATS project.
69. A new managed service provider, Hays Specialist Services commenced on 25 November 2024 to provide more direct filling of agency worker requirements at a reduced cost.
70. IR35 legislation requires employers to monitor future and existing use of self-employed workers. Steps to ensure IR35 assessments are carried out for every agency/interim worker and will continue in line with any legislative requirements. In February 2025 additional training was provided to over 130 managers to further improve understanding of IR35.
71. The Learning and Development (L&D) plan is aligned to business priorities through a stakeholder engagement process. The stakeholder group is regularly reviewed to ensure robust engagement across the organisation. During 2024-25, the L&D plan was reviewed and signed off by each Service Leadership Team ensuring plans are aligned to

Reviewing Our Effectiveness During 2024/25

business priorities. L&D funding is continually being reviewed to ensure delivery for high priority / high impact development. For mid-2025 the council will have created a new operating model within HR with the focus to further drive needs-based learning aligning to business priorities.

Capital Governance

72. Since the introduction of new governance measures in 2022, there has been a commitment to continuously improve upon what is already in place. An ongoing programme of work is aiming to build upon these foundations, enabling efficiency, transparency, and effectiveness across all areas of Capital Programme governance. Since the last report, a new reporting tool has been implemented across the capital programme, providing enhanced visibility of projects and programmes in delivery. Comprehensive reporting now enables programme boards to exercise better control over delivery of projects and programmes. Additionally, a new centralised repository has been established for all pre-pipeline capital schemes. This provides an organisation-wide view of all pre-pipeline capital schemes, enabling senior leaders to take proactive decisions to expedite priority schemes into delivery and to take early action to address barriers to delivery. A comprehensive review is currently being undertaken to redefine workflows, gateways and governance with a particular focus on pre-pipeline activity. Once complete, the Capital Governance Handbook will be refreshed to include this updated information.
73. There are Capital Programme Boards established for Major Infrastructure, Highways, Property, IT & Digital and Environment & Climate which report into the Strategic Capital Board (SCB), chaired by the Executive Director of Resources and Section 151 Officer. The SCB meets monthly and provides a collective officer oversight of capital projects within the Capital Programme. The Board functions as an internal governance requirement, complementary to the Council's democratic process and makes recommendations to an executive decision-maker to an Officer, Cabinet Member or Cabinet.
74. The Board oversees the performance of the Council's Capital Programme and addresses risks and / or issues through reporting with a focus on variations in time, scope, and cost, ensuring the programme delivers value for money and reflects the strategic priorities of the Council. It also reviews the drafted annual Capital Programme ahead of consideration and approval by the Council as part of the business planning process. The Board may also recommend to executive decision-makers, any new in-year additions to the Capital Programme that are greater than £500,000 that have not been considered through the annual business planning process.

Adult Social Care

75. Adult Social Care (ASC) continues to make a positive impact on people's lives, by delivering its vision 'The Oxfordshire Way' which focuses on supporting people to live

Reviewing Our Effectiveness During 2024/25

well in their community, remaining independent for as long as possible. The Community Capacity Grant and Connect Communities Fund, co-funded by Adult Social Care and Public Health, are prime examples of how ASC is implementing this vision. These funds, totalling £500,000, along with an additional £97,000 raised by donors from the Oxfordshire Community Foundation, have supported 94 projects aimed at ensuring residents have access to essential services within their communities. The primary goal of these initiatives is to promote independence among residents and reduce their reliance on formal statutory services.

76. Alongside this ASC has had great success in reducing the number of people awaiting a social care assessment, down 77% compared to April 2021. The longest waiting time has also fallen in the same period by 80%. The Discharge to Assess approach continues to support a high proportion of people to return directly to their own homes and access reablement following a hospital stay, with 25% more people discharged home from hospital this year compared to last and 85.5% of people achieving independence or a reduction in the amount of care support they require.
77. The Health and Care Act 2022 introduced a new duty for the Care Quality Commission (CQC) to independently review and assess how local authorities are delivering their Care Act functions. In January 2025, the CQC conducted an on-site Local Authority Assessment in Oxfordshire. A total of 179 individuals were interviewed, including leadership, officers, residents, local partners and service providers. This assessment provided a valuable opportunity to celebrate the service's successes and discuss areas where the Council is committed to further development. The final assessment report is expected in early 2025/26.

Children and Young Peoples Services

78. Performance and management of outcomes for the Children's Education and Families service (CEF) continues to be statutorily compliant. The service performance is maintained from the good rating in the Inspecting Local Authority Children's Services (ILACs) inspection of February 2024, the service's ongoing progress is sense checked against a range of performance data and quality assurance mechanisms, including external peer reviews.
79. Key performance indicators across CEF continue to benchmark well with statistical neighbours and those Local authorities judged good or better.
80. The SEND Improvement and Assurance Board continues to report to the [Department for Education](#) and NHS England. This involves a number of deep dives and stocktake reviews of progress and evidence against an improvement framework. The outcome of which has shown incremental progress and improvement since the July 2023 inspection.
81. Internal governance and leadership stability has increased as a result of a 2024/25 continuous improvement plan and permanency in the senior leadership.

Reviewing Our Effectiveness During 2024/25

Economy and Place

82. Developer Funding - Oversight and delivery of s106 and related infrastructure funding has been subject to significant review of processes, governance, and improvement to the visibility. This programme of work was reported into the Place Overview and Scrutiny Committee in April and November 2024, with a written update received in February 2025 (having first been brought to Committee in December 2023). Increased transparency and use of data will improve leadership grip of delivery and enable members to more effectively hold the council to account.

Environment and Highways

83. During 2024/25 a new Highways Maintenance Contract was procured and awarded, commencing 1 April 2025. The new contract is based on the NEC4 term service contract, which is a recognised contract within the industry, but with amendments and additions to the standard NEC4 standard provisions to address a series of specific requirements as to how this particular contract will operate.

Public Health

84. In 2024/25, Oxfordshire launched its Marmot Place Programme, including stakeholders from across health, care, academia, and communities. There are three Marmot principles which will form the initial focus on this work and the governance for delivery of the programme is currently being put in place. This includes work programmes for each of the three principles, with support from the Marmot Steering Group, and oversight from the Marmot Advisory Board. The Advisory Group met for the first time in March 2025.

85. The launch of the 2024-2030 Health and Wellbeing Strategy [New strategy aims to improve health outcomes for all](#) - The strategy has 10 priorities derived from the Joint Strategic Needs Assessment and collaboratively agreed upon following a public and partner consultation that included over 400 responses as well as proactive engagement with over 1,000 residents, many from seldom heard communities. An outcomes framework was agreed in March 2024 that are monitored by a range of partnership forums relevant to the indicator with overall accountability held by the Health and Wellbeing Board.

Law & Governance

86. The Monitoring Officer provided her [annual report to the Audit and Governance Committee](#) on the Council's governance arrangements. This review was formally reported to and endorsed by the Audit & Governance Committee on [18 September 2024](#).

Reviewing Our Effectiveness During 2024/25

This report confirmed the progress in maintaining democratic accountability and transparency, with members continuing to undertake their role as community leaders.

87. The Constitution Working Group met between November 2024 and February 2025 and proposed amendments to the Constitution. A small number of additional changes were agreed by the Audit & Governance Committee and the Oxfordshire Health & Wellbeing Board ahead of presenting a report of all proposed amendments to Council on 1 April 2025 which was approved. The Constitution has been updated to reflect these changes. The Democratic Services team has a working group to effect these changes to the decision-making processes of the Council.
88. Schemes of Delegation are set out in the Constitution as standing delegations. Services operate their business by way of sub-delegations. These sub-delegations are required to be recorded by the Directors and a public document held by the Director of Law and Governance and Monitoring Officer. The Director of Law and Governance is assisting Directors to record their sub-delegations following changes to the Councils structure from the Tier 3/ 4 restructure, implemented on 16 December 2024. Updated schemes of delegations will be completed during 2025-2026.
89. The county council elections were held on 1 May 2025. County elections are held every 4 years. These elections determine the political composition of the county council. The outcome will influence policy priorities and the allocation of resources, impacting the day-to-day lives of residents. New councillors took office on 6 May 2025 with the leader elected at Council on 20 May 2025. Their vision and mandates will steer the county's direction.
90. Key officers within the council have completed CIPFA's online whistleblowing training. Internal Whistleblowing Training is in development following the refresh of the council's whistleblowing policy and will be rolled out via the council's learning platform during 2025/26.
91. A review and update of the Conflicts of Interest and Gifts & Hospitality policies has been completed.
92. Information Governance - The Information Governance Board chaired by the Director of Law and Governance and Monitoring Officer met on a regular basis to ensure that the Council has adequate arrangements for data protection and information security. The Board includes the Senior Information Risk Owner (SIRO), Caldicot Guardian and Data Protection Officer and reports to the SLT. The Information Governance Group has an operational role in looking at data breaches and security incidents in more detail and highlighting risk areas that need to be addressed through Council-wide training. The Group comprises representatives from across the Council and refers matters to the Board as appropriate.

Fire & Community Safety

93. In the past year, Oxfordshire County Council's Fire and Community Services have continued to uphold the highest standards of safety and service delivery. A significant milestone was the inspection conducted by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in early 2024. The inspection highlighted the strengths of the service, including operational response, prevention and protection services, and the culture within the organisation. The governance of the improvement actions is overseen by the Fire Improvement Board, supported by the HMI Service Liaison Lead and the executive leadership of the council. This structured approach ensures that the service continue to meet the improvement expectations set out by HMICFRS.
94. The Oxfordshire Fire and Rescue Community Safety Plan outlines the strategic priorities and long-term plans for managing and reducing risks from fire, road traffic collisions, and other emergency incidents within Oxfordshire. This plan is a cornerstone of the council's commitment to protecting the community, reducing harm, and saving lives through a combined approach of protection, prevention, and response. It also supports local and national resilience as detailed in the Civil Contingencies Act. The plan sets out clear objectives and performance measures, ensuring that the council remains accountable and transparent in its service delivery. By aligning efforts with the Community Safety Plan and the Oxfordshire County Council Strategic Plan, the council is dedicated to fostering a safer and more resilient Oxfordshire for all residents.

Inspections Review: Readiness and Sharing Learning

95. A review of inspections activity across the Fire Service, Adult Social Care and Children, Education and Families was conducted from November 2024 to February 2025. This sought to understand how learning is currently shared following inspections, along with strengths and development areas in the council's approach to inspections more generally.

Stakeholders were interviewed, which identified a variety of inspection experience and maturity across the organisation. There are opportunities for more mature areas to collaborate with others to share their expertise, which has been done effectively between Children Education & Families and Adult Social Care to support the recent CQC inspection, particularly around logistics.

96. The recommendations include creating a mechanism to share inspection recommendations across different assurance leads, and providing opportunities for assurance leads to share lessons learned. Other recommendations include exploring digital solutions for data and document collection, and internal communications and Delivering the Future Together campaign to encourage a whole-council approach to inspections. An action plan has been created for 2025/26.

Enterprise Oxfordshire & establishment of a shareholder committee

97. Triggered by a change in Government policy announced during the spring budget in 2023 – from 1 April 2024 – it was decided at a national level that the function of Local Enterprise Partnerships, would be delivered through a mechanism agreed by respective upper-tier local authorities.
98. On 1 April 2024 Oxfordshire Local Enterprise Partnership Limited (OxLEP) became a county council owned company.
99. In November 2024, an agreement with Oxfordshire County Council was reached, ensuring OxLEP could continue to deliver economic development functions across Oxfordshire and from 1 April 2025, it will trade under the name of Enterprise Oxfordshire.
100. By reaching this agreement, OxLEP can continue to provide business, skills, investment, and trade support services to the county's business community. Additionally, it will support various plans aimed at ensuring Oxfordshire's economic potential is achieved sustainably and inclusively, benefiting businesses, communities, and the environment.
101. While restating its expectations that functions previously held by Local Enterprise Partnerships (LEPs) continued, Government confirmed in March 2025 that there will be no further funding available, with the responsibilities shifted to upper-tier authorities.
102. During 2024/25 revised governance and board membership arrangements were developed and reported to Cabinet in November 2024, with a Shareholder Committee established from December 2024 to exercise the council's shareholder functions for OxLEP (renamed Enterprise Oxfordshire from April 2025) and any other future company structures developed or joined.
103. Income and spending for 2025/26 has been agreed through a Business Plan submitted to the Shareholder Committee in March 2025. In its April 2025 meeting, the Performance and Corporate Services Overview and Scrutiny committee recommended that the Audit and Governance Committee should review the governance arrangements of Enterprise Oxfordshire in a year's time, including examples of how decisions were made throughout the year. It also proposed that the Performance and Corporate Services Overview and Scrutiny Committee should review the performance of the organisation in a year to assess how well the new model has delivered its business plan. Cabinet will consider these recommendations at the next opportunity.

Conclusion

Conclusion

104. The Council's governance arrangements are regarded as fit for purpose and will be monitored throughout 2025/26.

Annex 1 - Significant Governance Issues – 2024/25 Actions Update

Actions identified for 2024/25 - Update

This is a review of the progress during 2024/25 on the priorities for that year. The actions identified were completed in-year

Actions that were planned for 2024/25	Original Timescale	Outcome
<p>1. Constitution Working Group</p> <ul style="list-style-type: none"> • To establish a member working group to work alongside the officer working group, • To continue the review of the Council’s Constitution. 	31 March 2025	The Constitution Working Group met between November 2024 and February 2025 and proposed amendments to the Constitution. A small number of additional changes were agreed by the Audit & Governance Committee and the Oxfordshire Health & Wellbeing Board ahead of presenting a report of all proposed amendments to Council on 1 April 2025 which was approved. Training and guidance will be rolled out to officers.
<p>2. HR policies to be reviewed and updated for 2024/2025</p> <ul style="list-style-type: none"> • Organisational Change policy • Redeployment policy • Redundancy procedure • Fixed Term /Temporary contracts of employment policy • TUPE guidance • Pensions and Retirement policy 	30 June 2024 30 June 2024 30 June 2024 30 June 2024 30 June 2024 30 June 2024	All stated policies have been reviewed and published.

Annex 1 - Significant Governance Issues – 2024/25 Actions Update

Actions that were planned for 2024/25	Original Timescale	Outcome
<p>3. Directorate level Schemes of Delegation,</p> <ul style="list-style-type: none"> • To continue with the review and update of the Directorate Schemes of Delegation • Directorate level Schemes of Delegation, which are held both by individual Directorates and centrally, require further review to reflect the recent changes in reporting arrangements. 	31 March 2025	<p>The former Head of Legal Services and Deputy Monitoring Officer met with colleagues in HR and Finance to consider their updates to schemes of delegation which will form the greater part of individual Service schemes. This will enable the production of a pro forma scheme of delegation which can be provided to individual Services and meetings will then be arranged for Governance officers and Directors/Deputy Directors as necessary to support them in producing final schemes of delegation. This work will continue into 2025/26.</p>
<p>4. Further consideration of the Information Commissioner’s Office’s (ICO) expectations when handling Freedom of Information and Environmental Information Regulation requests.</p> <ul style="list-style-type: none"> • During 2023/24 the Council improved its compliance rates in respect of meeting statutory response deadlines. The Customer Feedback Team (FOI Officers) need now to work with services to improve the quality of responses to requests, and the handling of requests in accordance with FOI/EIR legislation, to further improve resolutions ahead of any ICO involvement. • Officers in the Customer Feedback team to work with the Corporate Governance Team on increasing awareness 	31 March 2025	<p>Officers have continued to provide advice to ensure compliance with the Freedom of Information Act 2000 (FOI) and the Environmental Information Regulations 2004 (EIR). Services are encouraged to strengthen their responses by considering the ICO’s Guidance and Decision Notices. Full and thorough consideration is given to each individual request.</p> <p>Key officers meet regularly to discuss current caseloads, themes and compliance. These meetings are extended to specific service areas where themes occur. This provides opportunity to work through a request and ensure legislation is applied correctly.</p> <p>Quality assurance is undertaken by Officers on responses to requests for information before they are sent to ensure they fully address the request. If any request has not been adequately</p>

Annex 1 - Significant Governance Issues – 2024/25 Actions Update

Actions that were planned for 2024/25	Original Timescale	Outcome
<p>within the Council on the correct application of the legislation.</p>		<p>answered, it is referred to the responding managers for revision. Consequently, the number of internal reviews is decreasing due to the increased accuracy of responses before their release at the initial stage.</p> <p>In 2024/2025 the council achieved a compliance rate of 97.5% of FOI and EIR requests for information being responded to within the statutory 20 working day timeframe. Above 95% compliance is rated at the ICO’s highest level “Good”. The council will work to ensure it maintains this standard of compliance in future years.</p> <p>Officers continue to attend ICO workshops as well as undertake benchmarking exercises against other local authorities to review best practice and update internal guidance.</p>
<p>5. Full review of current CCTV & intruder alarm monitoring arrangements.</p> <ul style="list-style-type: none"> As part of an ongoing initiative to increase self-delivery of services, provide a detailed options paper for CCTV & Intruder alarm monitoring to be self-delivered vs. the current outsourced model. 		<p>Complete. Revised policy and procedure implemented.</p>
<p>6. Review of Members’ and Officers’ fiduciary responsibilities and accountability, and legal status in respect of outside bodies including indemnities.</p>	<p>31 March 2025</p>	<p>This remains outstanding and will carry over into 2025/26.</p>

Annex 1 - Significant Governance Issues – 2024/25 Actions Update

Actions that were planned for 2024/25	Original Timescale	Outcome
<ul style="list-style-type: none"> It is important that the legal status of and responsibilities and accountabilities of Members are clearly understood in relation to outside bodies they are appointed to by the Council. 		
<p>7. Proactive Training for Governance</p> <ul style="list-style-type: none"> Governance sessions to raise awareness and skills level within the Organisation to be carried out by Heads of Governance and Legal. Following a review of the Governance policies, training materials are in development which will be published and used in Governance sessions, including raising awareness about the Council’s whistleblowing process and amended policy. 	31 March 2025	<p>Following a review of the Governance policies, training materials are in development which will be published and used in Governance sessions, including raising awareness about the Council’s whistleblowing process and amended policy.</p> <ul style="list-style-type: none"> Training sessions have been held for officers relating to decision-making including compliance with legal requirements around key decisions. Key officers were booked onto CIPFA’s Whistleblowing eLearning training. Colleagues were asked to complete the training by 31 January 2025. Completion has been overseen by line managers, and the Governance Team will hold a central record for all officers. Further in-house whistleblowing eLearning material is in development and will be rolled out across the organisation during 2025-2026.

Annex 2 - Significant Governance Issues - 2025/26

Actions identified for 2025/26

	Action now planned for 2025/26	Timescale for Completion	Outcome	Senior Responsible Officer
1.	<p>Schemes of Delegation</p> <p>Work is still being undertaken with the new services formed as a result of the Tier 3/ 4 restructure, implemented on 16 December 2024.</p>	31 March 2026	To complete schemes of delegation for each service area.	Director of Law & Governance, and Monitoring Officer
2.	<p>Review of Members' and Officers' fiduciary responsibilities and accountability, and legal status in respect of outside bodies including indemnities.</p> <p>It is important that the legal status of and responsibilities and accountabilities of Members are clearly understood in relation to outside bodies they are appointed to by the Council.</p>	31 March 2026	To review and update.	Head of Legal and Governance

Annex 2 - Significant Governance Issues - 2025/26

	Action now planned for 2025/26	Timescale for Completion	Outcome	Senior Responsible Officer
3.	<p>Contract Management</p> <p>A Contract and Supplier Management project has been mobilised with the following five workstreams:</p> <ul style="list-style-type: none"> • The Contract Management Framework • Ways of Working • Governance and Oversight • Systems, processes and data • Skills, capability and knowledge 	31 March 2026	<p>The introduction of the contract management framework will define the corporate approach to the segmentation of contracts and commercial relationships by value, risk and opportunity; it will also define the system, processes and reporting to provide the oversight of the performance of our contracts and the effectiveness of contract management in achieving best value.</p> <p>Contract management training will be in place to ensure that our contract management have the skills and knowledge needed to manage contracts effectively, proportionate to value and risk.</p>	Director of Financial and Commercial Services
4.	<p>Executive Officer Decisions</p> <p>provide guidance to officers on the procedure for making officer executive decisions, in particular the process that applies to key decisions</p>	31 March 2026	<p>Changes to the Constitution have highlighted a need to refresh training and templates on officer decision making. An internal group to develop guidance, manage changes to process and templates and to develop training for officers has been set up. Training will follow in 2025/26.</p>	Head of Legal & Governance
5.	<p>Code of Practice on Good Governance for Local Authority Statutory Officers</p> <p>To undertake a self-assessment against the Code of Practice on Good</p>	31 March 2026	<p>In July 2024 Lawyers in Local Government (LLG), CIPFA and SOLACE launched a new Code of Practice on Good Governance for Local Authority Statutory Officers.</p> <p>The council should ensure it is meeting the expectations</p>	Director of Law & Governance and Monitoring Officer

Annex 2 - Significant Governance Issues - 2025/26

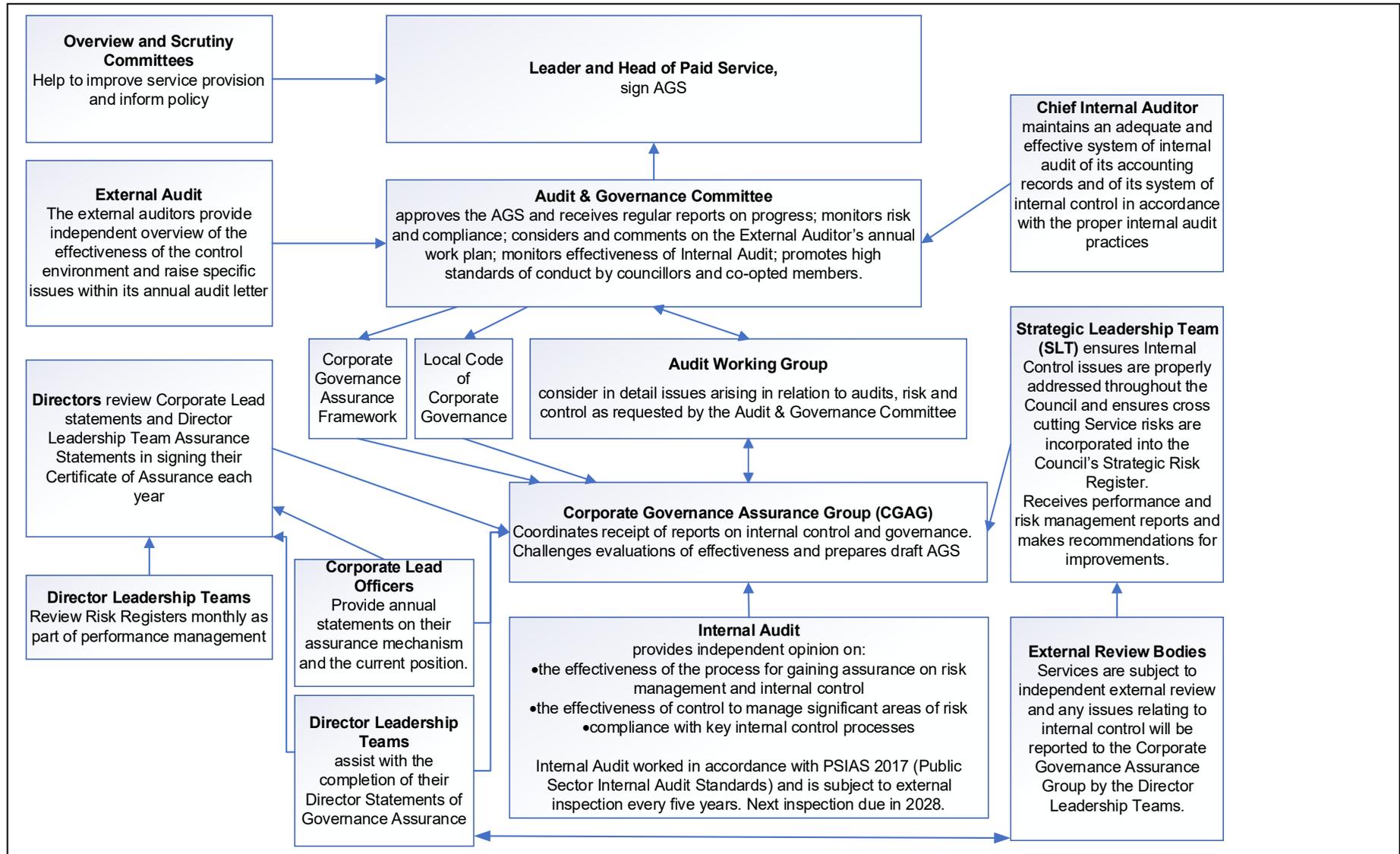
	Action now planned for 2025/26	Timescale for Completion	Outcome	Senior Responsible Officer
	Governance for Local Authority Statutory Officers.		set out in The Code of Practice for the Chief Executive, Chief Financial Officer, and the Monitoring Officer.	
6.	Appointment of Independent Member of the Audit & Governance Committee	31 December 2025	To undertake a recruitment campaign and appoint to this position.	Director of Law & Governance and Monitoring Officer / Head of Legal & Governance, and Deputy Monitoring Officer
7.	To commission an Independent Remuneration Panel this year to consider member allowances.	31 December 2025	An Independent Remuneration Panel must be commissioned to consider member allowances to set a new scheme of allowances from 1 April 2026.	Director of Law & Governance and Monitoring Officer / Head of Legal & Governance, and Deputy Monitoring Officer
8.	Inspections Review: Readiness and Sharing Learning To facilitate opportunities for assurance colleagues to share experiences and learning: Raise awareness through internal communications and cultural	31 March 2026	To improve collaboration, sharing of inspection insights, and overall inspection readiness within Oxfordshire County Council.	Director of Transformation, Digital and Customer Experience

Annex 2 - Significant Governance Issues - 2025/26

	Action now planned for 2025/26	Timescale for Completion	Outcome	Senior Responsible Officer
	change: Leverage technology for data efficiencies:			

Annex 3: Overview of Corporate Governance Assurance Framework

Annex 3: Overview of Corporate Governance Assurance Framework



Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
1.	Responsibilities of the Chief Finance Officer (CFO) and Leadership Team			
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money (VfM)	<p>Working as part of the Council Management Team, the Director for Financial & Commercial Services is responsible for the leading on the delivery of the council's Commercial Strategy which was agreed by Cabinet in March 2024. This seeks to promote a wide and more integrated approach to commercial management combining strategic and operational tasks distributed across the Council.</p> <p>Services use benchmarking to inform opportunities to improve VfM but this has generally been ad hoc and there has been limited visibility beyond the service.</p> <p>Procurement decisions consider VfM by considering the quality of service and not just price.</p>	<p>The Commercial Strategy is being delivered through a Commercial Transformation Programme overseen by the Commercial Board operating under the direction of the Council Management Team.</p> <p>Risk appetite, people, capability and processes, and monitoring and evaluation are being considered and developed through the implementation of the strategy.</p>	AMBER

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

			<p>More systematic business intelligence information and insight needed to underpin the Commercial Strategy and enable the council to demonstrate that all revenue and capital expenditure provides Vfm is being developed by November 2025 as part of the council's Business Services Transformation programme.</p>	
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Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

B	<p>The authority complies with the CIPFA “Statement of the Role of the CFO in Local Government”</p>	<p>The CFO is qualified accountant with significant experience working as an active member of the council’s leadership team.</p> <p>In carrying out their role as Executive Director of Resources and Section 151 Officer, the CFO is a member of SLT (Strategic Leadership Team) and reports directly to the Chief Executive. The CFO has an influential role with members of the Cabinet, Audit & Governance Committee and lead opposition members.</p> <p>Funding for additional finance capacity needed to support the organisation to transform and to ensure that the CFO is able to lead and direct a finance function that is resourced to be fit for purpose was agreed as part of the 2024/25 budget.</p> <p>Reflecting the need to ensure financial literacy across the council new job roles agreed as part the organisational redesign of the council’s senior management structure in 2024 clearly set out the financial management responsibilities of each of the council’s directors and their direct reports. These responsibilities will be followed up through on-going performance management in 2025/26.</p> <p>Following the corporate Enterprise Resource Planning (ERP) review (a review of the IBC partnership with Hampshire County Council) a number of finance improvements were identified and have been put into the Business Services Transformation programme of work, covering Finance, HR and Purchasing</p>	<p>The Business Services Transformation programme is reviewing financial management, procure-to-pay and HR activities performed across the council. The programme is currently being reviewed and reset and will be delivering through into 2025/26.</p>	GREEN
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Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
2.	Governance and Financial Management Style			
C	<p>The Leadership Team demonstrates in its actions and behaviours responsibility for governance and internal control</p>	<p>The Strategic Leadership Team (SLT) understands its responsibilities in relation to Financial Management and considers the assessment against the Code and actions or further work required in order to continuously improve.</p> <p>The Council Management Team (CMT) receive and review on a quarterly basis a report from the Chief Internal Auditor on progress against the Internal Audit Plan, implementation of agreed management actions and delivery of the Counter Fraud Plan. The Annual Governance Statement (AGS) and Action Plan are also considered by CMT.</p> <p>In addition, the Audit & Governance Committee have a key role in providing independent assurance over governance, risk and internal control arrangements.</p> <p>SLT are continuing to discharge their responsibilities through CMT. Ongoing focus on managing pressures over the short and medium term to maintain financial resilience is evidenced in the reduction in the level of forecast overspend in 2024/25.</p> <p>Work has been undertaken during 2024/25 to establish a meaningful and effective approach to updating and maintaining schemes of financial delegation across services.</p>		GREEN

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
D	The authority applies the CIPFA/SOLACE “Delivering Good Governance in Local Government: Framework (2016)”	The Local Code of Corporate Governance sets out how the Council complies with the requirements of the Framework and identifies key documents, which provide detailed information as to how the Council ensures the Corporate Governance principles are adhered to. The annual update of the Oxfordshire Code of Corporate Governance was last approved by Audit & Governance Committee in March 2024 .		GREEN

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

E	<p>The Financial Management style of the authority supports financial sustainability</p>	<p>The Council has adopted a Business Partnering model that supports managers to deliver financially sustainable services by providing strategic advice and support. Training in financial management roles and responsibilities has been a focus across a number of Directorates during the last financial year.</p> <p>This is underpinned by a Corporate Function that manages the strategic financing issues and provides the budget setting and accounting framework for the organisation.</p> <p>An updated Financial Strategy including financial performance indicators that are tracked and reporting during the following year is published annually as part of the budget agreed by Council.</p> <p>The council's Commercial Strategy will promote a wide and more integrated approach to commercial management combining strategic and operational tasks distributed across the Council.</p> <p>A council-wide Project Portfolio Management (PPM) system, which will enable improved oversight of capital schemes, has been implemented in 2024/25 and the expectation is that the outputs from this system will be used to inform capital programme boards and the Strategic Capital Board. along with</p>	<p>A new Financial Management Strategy is being developed as part of Business Services Transformation. The Strategy will set out the improvements required to enhance financial management capabilities including financial management reporting structures and the development of business objects dashboardreporting.</p> <p>An improvement plan which will include enhancements and opportunities using technology and data for enabling more efficient and effective financial management across the council will be agreed as part of the Strategy.</p> <p>Following the changes to the senior management structure and organisational redesign business partnering will be developed across more functions within the council with operating models agreed to reflect the on-going arrangements.</p> <p>Longer-term financial planning is not possible while the</p>	AMBER
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Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
			Government’s approach to local government funding is unclear. This is being kept under constant review as more information becomes available from Government.	
3.	Long to Medium-Term Financial Management			
F	The authority has carried out a credible and transparent financial resilience assessment	<p>A review of the 2023/24 CIPFA Financial Resilience index has been undertaken, and the assessment will be included in the Financial Strategy (section 4.5 of the Budget & Business Planning Report to Cabinet in January 2025).</p> <p>The Financial Strategy also includes a suite of performance indicators against which financial performance is measured during the year and reported through the Business Management & Monitoring Reports to Cabinet. These measures include the forecast level of General Balances against the minimum risk assessed level for balances taking into account the latest monitoring position in the current year and the forecast achievement of savings built into the budget.</p>		GREEN

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Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
G	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members	<p>The Financial Strategy and MTFS outline the financial challenges and opportunities facing the Council over the medium term and set out how action is being taken to manage expenditure within the available funding.</p> <p>The Capital & Investment Strategy and the Capital Programme both cover a 10-year period. The Capital & Investment Strategy sets out the long-term context in which capital expenditure and investment decisions are made and articulates how the Council’s capital investment will help achieve the Council’s vision and priorities as well as respond to demographic change.</p>	<p>With the development of a new business intelligence approach, and potential longer run opportunities through the move to the Hampshire Partnership’s move to SAP 4 HANA from 2026/27 it remains an ambition to improve budget planning information and to progress the development of more accessible scenario planning in relation to long term budget planning and the council’s place shaping ambitions. Once SAP 4 HANA is available an assessment will be made of the opportunities arising from this.</p> <p>The development of high level Business Plans for each service will help to align service plans with the Financial Strategy and Medium Term Financial Strategy.</p>	GREEN

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
H	The authority complies with the CIPFA “Prudential Code for Capital Finance in Local Authorities”	<p>The Capital & Investment Strategy is updated annually and agreed by Council alongside the Capital Programme, Treasury Management Strategy, Annual Investment Strategy and Minimum Revenue Provision Policy.</p> <p>The Capital Programme is monitored monthly with reports produced quarterly for the Strategic Capital Board and Cabinet. Quarterly Treasury Management reports are taken to Audit & Governance Committee, Cabinet and Council, including monitoring of Prudential Indicators.</p> <p>The ratio of financing costs to the net revenue stream is forecast to remain within at around 5% over the medium term with a recommended limit of 5.5%. The future affordability of any proposed new borrowing is a key consideration within the Budget & Business Planning process.</p>		GREEN

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Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
I	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans	The Council has an integrated Business and Budget Planning Process with a multi-year Medium Term Financial Strategy linked to service plans. This is reviewed and updated each year with new future years added to ensure that the strategy covers at least three years.	High level Business Plans for each service area are being developed by each director and are expected to be used to inform and underpin the budget and business planning process from 2026/27 onwards.	GREEN
4. The Annual Budget				
J	The authority complies with its statutory obligations in respect of the budget setting process	The Council produces an annual balanced budget and supporting documentation within the necessary timeframe.		GREEN

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Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
K	The budget report includes a statement by the CFO on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves	The CFO’s Section 25 report accompanies the suite of Budget documents and includes a commentary on the adequacy of proposed financial reserves with reference to CIPFA’s Resilience Index as well as assessed compliance with the FM Code.		GREEN
5. Stakeholder Engagement and Business Plans				

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Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
	The authority has engaged where appropriate with key stakeholders in developing its long- term financial strategy, medium-term financial plan and annual budget	<p>The council’s approach to consultation and engagement is set out in the consultation and engagement Strategy 2022/25. This puts residents at the heart of decision- making and aims to engage with and listen to residents and other partners in a more active and inclusive way.</p> <p>As part of the budget process for 2024/25 the council used an online budget simulator tool for the first time. The aim was to help people to learn more about the services the council provides and have their say on savings and spending, by setting their own balanced budget for the council.</p> <p>Consultation and engagement to support budget and business planning for 2025/26 has been organised into three phases:</p> <ul style="list-style-type: none"> • Phase 1: Representative residents’ survey • Phase 2: Participatory engagement: Budget simulator and sounding boards for children and young people • Phase 3: Public consultation on the substance of the 2025/26 budget. <p>The outputs from Phase 1 and 2 were shared in the Budget & Business Planning report to Cabinet in October 2024 so they were available to inform the proposals shared later in the process. Performance & Corporate Services Overview & Scrutiny Committee have also considered the budget proposals ahead of the budget being agreed by Council.</p>		GREEN

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M	<p>The authority uses an appropriate documented options appraisal methodology to demonstrate the value for money of its decisions</p>	<p>Key decisions requiring investment to deliver service improvements, deliver savings or invest or save opportunities require business case to aid decision making via the appropriate governance process (e.g., Strategic Capital Board).</p>	<p>More systematic business intelligence information and insight needed to underpin the Commercial Strategy and enable the council to demonstrate that all revenue and capital expenditure provides VfM is being developed as part of the council's Business Services Transformation programme.</p> <p>The requirements, system, standards and guidance for the development and approval of business cases is being considered as part of the implementation of the Commercial Strategy.</p> <p>The Commercial Transformation Programme includes a workstream which is developing a digitised business case process that will include options appraisal with a delivery date of June 2025.</p>	GREEN
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Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
6. Monitoring Financial Performance				
N	The Leadership Team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability	<p>The regular Business Management and Monitoring Reports to Cabinet include performance, finance and risk so enable the council’s leadership team and Cabinet to respond to emerging issues and to take action to manage those.</p> <p>The regular Capital Programme monitoring report includes updates on scheme activity, performance and risks.</p>	<p>A programme of work is underway to develop a data warehouse covering finance, purchasing and HR. This will improve reporting and support data driven intelligence and decision-making.</p> <p>Development work is underway in 2024 and will continue into 2025/26, with a data extraction project being delivered in partnership with IBC.</p> <p>Stages 1-4 will be completed by March 2025 and stage 5 is scheduled for delivery by end of the year 2025 and will continue into 2025/26.</p> <p>Capital Monitoring will be developed further using outputs from the Project Portfolio Management (PPM) system.</p>	GREEN

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
O	The Leadership Team monitors the elements of its balance sheet that pose a significant risk to financial sustainability	The Business Management and Monitoring Reports to Cabinet include monitoring of key balance sheet items including balances, reserves, debtors, and cash (including the performance of Treasury Management).		GREEN
7. External Financial Reporting				
P	The CFO has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting requirements of the “Code of Practice on Local Authority Accounting in the United Kingdom” (The Code)	<p>The annual accounts are produced in compliance with The Code and always received an unqualified audit opinion up to 2020/21. The audit of the statement of accounts for 2021/22 was delayed by national issues affecting the valuation of infrastructure assets. The external audit report setting out an unqualified opinion was issued on 25 January 2024.</p> <p>The statement of accounts for 2022/23 was published on 23 January 2024 following the resolution of the issues with the valuation of infrastructure assets. As a result of the delay, together with the wider requirements of the local audit reset the council’s external auditors were not able to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report. Therefore, the council has received a disclaimed opinion on the 2022/23 financial statements.</p> <p>The 2023/24 accounts were published on 28 June 2024 and the audit opinion is expected to be received in early 2025. Since it was not possible to have assurance over the brought forward balances from 2022/23 these accounts are also expected to be disclaimed.</p>		GREEN

Annex 4: Financial Management Code of Practice – Summary Compliance Assessment 2024/25

Ref	CIPFA Financial Management Standards	Current Status	Further Work	RAG Status
Q	The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions	The Council Management Team and Cabinet consider the outturn and year end variances in a Provisional Outturn Report to Cabinet each June. Where relevant this enables strategic financial decisions to be made early in the following financial year.		GREEN



Glossary

Actuarial gains and losses

These are changes in deficits or surpluses that arise because either actual experience or events have not been exactly the same as the assumptions adopted at the previous valuation (experience gains and losses) or the actuarial assumptions have changed.

Amortised

Written off over a period of time.

Bond Fund

A fund primarily invested in government and corporate bonds. The value of the investment changes as the market value of assets held by the fund changes.

Budget Equalisation Reserve

This reserve is used to manage the cash flow implications of variations to the Medium Term Financial Plan.

Budget Prioritisation Reserve

This reserve is to help support the implementation of directorate business strategies and the Medium Term Financial Strategy.

Business Rates Reserve

This reserve is being used to smooth out any volatility in the business rates collected by the District Councils on behalf of the County Council.

Call Account

A call account is a deposit account with a financial institution without a fixed maturity date.

Capital Receipts

Receipts from the sale of capital assets.

Capital Reserve

This reserve has been established for the purpose of financing capital expenditure in future years.

Cash Equivalent

Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash Flow

The movement of money into or out of the County Council during the financial year.

Collection Fund

A fund maintained by each District Council to receive all income raised through Council Tax and Business Rates. The County Council precepts the District Councils to receive its share of Council Tax receipts.

Commutation Factor

Factor used to determine the amount of lump sum payable from the amount of annual pension commuted.

Contingent Asset

A possible asset arising from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the County Council's control.

Contingent Liability

A condition which exists at the balance sheet date, where the outcome will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the County Council's control, or where it is not probable that an outflow of resources will be required to settle the obligation.

Contingent Rent

The portion of a lease payment that is not fixed at the start of the lease but is based on the future amount of a factor that changes other than with the passage of time (e.g. amount of future use, future price indices).

Council Elections Reserve

This reserve has been established to meet the cost of County Council Elections.

County Fund

The main revenue fund of the County Council into which precept income and Government grants are paid and from which day-to-day payments are made.

Creditors

Amounts owed by the County Council for work done, goods received, or services rendered within the financial year for which payment has not yet been made.

Current Asset

An asset which will be used up during the next accounting period e.g. cash.

Curtailment

Early retirement costs calculated in accordance with accounting standard IAS19.

Debtors

Amounts owed to the County Council for services carried out during the financial year but not yet received.

Deferred Income

Prepaid income credited to the Balance Sheet and amortised to the Comprehensive Income and Expenditure Statement to match the benefit of the receipts over the term of the contractual arrangement.

Depreciation

The systematic write-off of the reduction in value of a tangible fixed asset due to wear and tear, passing of time and technological changes over its economic useful life.

Derecognition

Removal of an asset or liability from the Balance Sheet.

Equity instrument

A contract such as an equity share in a company.

Fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

Financial asset

A right to future economic benefits controlled by the County Council that is represented by cash, an equity instrument of another entity, a contractual right to receive cash (or another financial asset) from another entity or a contractual right to exchange financial assets/liabilities with another entity under conditions that are potentially favourable to the County Council.

Financial liability

An obligation to transfer economic benefits controlled by the County Council that is represented by a contractual obligation to deliver cash (or another financial asset) to another entity, or a contractual obligation to exchange financial assets/liabilities with another entity under conditions that are potentially unfavorable to the County Council.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. Financial instruments include bank deposits, investments, debtors, long-term debtors, creditors, temporary loans and borrowings.

Financial Year

The County Council's accounts cover the period from 1 April in one year to 31 March in the next year.

Fixed Asset

A tangible asset that yields benefit to the County Council and the services it provides for a period of more than one year.

General Government Grants

These are general grants paid by central government in aid of local authority services as opposed to specific grants which may only be used for a specific purpose. The main general grant is Revenue Support Grant.

Government Initiatives Reserve

This reserve is used to hold underspends on budgets funded by un-ringfenced grants held that relate to specific agreed outcomes or the implementation of Government initiatives.

Grants and Contributions Reserve

This reserve has been set up to hold the net overspent or underspent grants and contributions committed to be spent or recovered in future years.

Hedge Fund

A hedge fund is a form of investment partnership.

Impairment

A reduction in the carrying value of an asset arising from physical damage, obsolescence or a significant decline in market value.

Inventories

Raw materials and stores which the County Council has bought and holds in stock for use as required.

Intangible Asset

An asset that does not have physical substance but is identifiable and controlled by the organisation through custody or legal rights e.g. software licenses.

International Financial Reporting Standards (IFRS)

These are issued by the International Accounting Standards Board and provide standards for the preparation of financial statements.

Lease

A method of financing capital expenditure where a rental charge is paid for an asset for a specified period of time.

Lessee

A party to a lease agreement who makes payment to use an asset.

Insurance Reserve

This reserve covers the County Council for insurance claims that, based on the previous experience of the County Council, are likely to be received, as well as a number of insurance related issues.

Lessor

A party to a lease agreement who receives payment for the use of an asset.

Liabilities

Amounts owed by the County Council which will be paid at some time in the future.

Limited Liability Partnership

A partnership in which some or all partners have limited liabilities.

Long Term Investments

Investments that are not due to mature within the next 12 months.

Money Market Fund

Funds are invested in short-dated assets including certificates of deposits, government securities and commercial papers making them highly liquid. Money Market Funds must be AAAMf rated, invest in high credit quality assets and maintain a weighted average maturity of 60 days or fewer. Investments have a stable net asset value and dividends are paid to investors on their investment.

Mortality Assumptions - Abbreviations

S1NA, S1PA and S2PA - mortality tables issued as part of the "S1" and "S2" series of mortality tables produced by the Continuous Mortality Investigation. The "S1" mortality tables are based on mortality experience from UK self-administered pension schemes between 2000

Glossary

and 2006. The “S2” mortality tables are based on mortality experience from UK self-administered pension schemes between 2004 and 2011.

Net Debt

The County Council’s borrowings and finance liabilities less cash and liquid resources.

Net Operating Expenditure

The amount which it costs to provide services after any specific grants and/or income from fees and charges is taken into account, but ignoring general government grant and local taxation.

Non-current Asset

A long-term asset that is not expected to be used up or realised within the next 12 months e.g. Property, Plant and Equipment.

Non-Domestic Rate

A levy on businesses based on a national rate in the pound set by the government multiplied by the ‘rateable value’ of the premises they occupy.

Non-Derivative Financial Asset/Liability

Asset/Liability whose value does not depend on the value of another asset/liability such as a currency. Examples of non-derivative financial asset/liability consist of trade and other receivables, cash and cash equivalents, and long-term debt.

Partnership Reserves

This reserve holds funds relating to partnership arrangements.

Pooled Fund

Funds from individual investors are aggregated for the purposes of investment and returns are apportioned between investors according to the size of the investment.

Pooling

Where services benefit larger areas than the local authorities which provide them, the expenditure is sometimes pooled according to a formula which reflects usage of the service.

Precept

The levy made by the precepting authority (the County Council) on billing authorities (the district councils in Oxfordshire) requiring the latter to collect income from council taxpayers on their behalf.

Private Finance Initiative (PFI)

A scheme to encourage private sector investment in the public sector. Typically these involve a private sector operator building or enhancing property and operating services on behalf of a public sector organisation.

Professional Fees

The fees paid by the County Council for professional services such as those of architects and quantity surveyors.

Provision

An amount of money put aside in the accounts for anticipated liabilities which cannot be accurately estimated e.g. insurance provision for claims awaiting resolution.

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Observable Inputs

Inputs that are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumptions that market participants would use when pricing the asset or liability

On-Street Car Parking Reserve

This surplus has arisen under the operation of the Road Traffic Regulation Act 1984 (Section 55). The purposes for which these monies can be used are defined by statute.

Public Works Loan Board (PWLB)

A central government agency which provides long and shorter term loans to local authorities at interest rates slightly higher than those at which the government itself can borrow. Local authorities are able to borrow a proportion of their requirement to finance capital spending from this source.

Reserves

Amounts of money put aside to meet certain categories of expenditure in order to avoid fluctuations in the charge to the County Fund.

Revenue Expenditure

The County Council's day-to-day expenditure on items which include wages, supplies and services and interest charges.

Revenue Expenditure Funded from Capital Under Statute

Capital expenditure as defined by statute that does not result in the acquisition, creation or enhancement of fixed assets and is charged to the Comprehensive Income & Expenditure Statement in accordance with the accounting policy.

RIA

Receipts received in advance.

School Reserves

In accordance with the Education Reform Act 1988, the scheme of Local Management of Schools provides for the carry forward of individual school surpluses and deficits

Segregated Mandate Fund

Funds from individual investors are invested on a segregated basis so that the holdings can be directly attributed to investors.

Settlement (Retirement Benefits)

Settlement relates to a bulk transfer out of the Fund as a result of functions transferring to another organisation. It reflects the difference between the liability transferred (calculated in accordance with accounting standard IAS19) and the assets transferred to settle the liability.

Specific Grants

Grants paid by the Government in respect of specific services.

Strategic Measures

This comprises interest on balances and capital financing charges. The former involves surplus cash from the County Fund which is either invested or used to reduce the need to borrow externally. The interest received is credited to the County Fund. Capital financing

Glossary

charges include the minimum revenue provision required and interest on outstanding debt, together with a general revenue contribution to finance capital spending.

Trading Accounts Reserve

This reserve holds funds relating to trading activities to help manage investment.

Transformation Reserve

This reserve is to fund the Council's transformation programme.

Vehicle and Equipment Reserve

This reserve is to fund future replacements of vehicles and equipment.